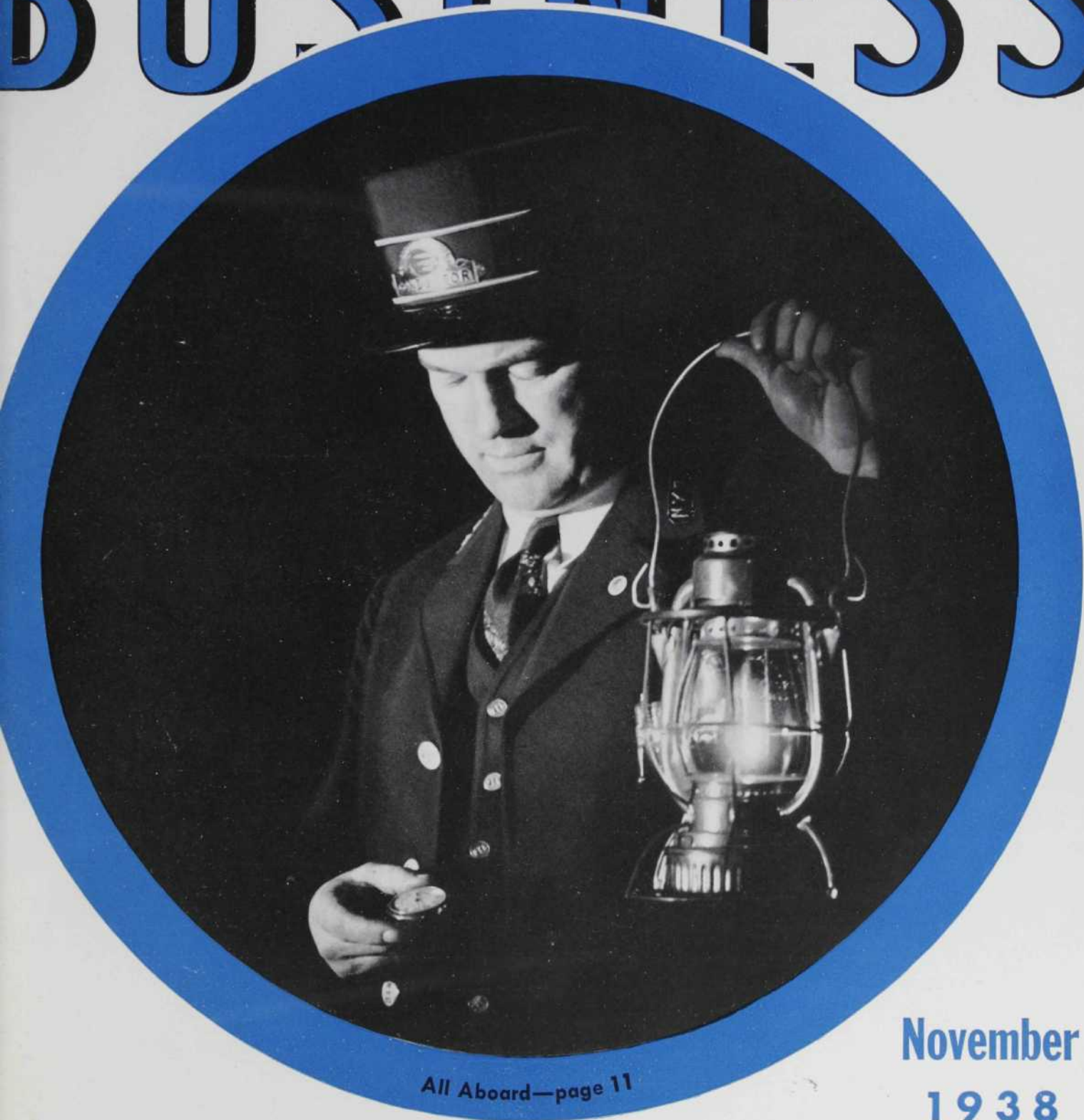


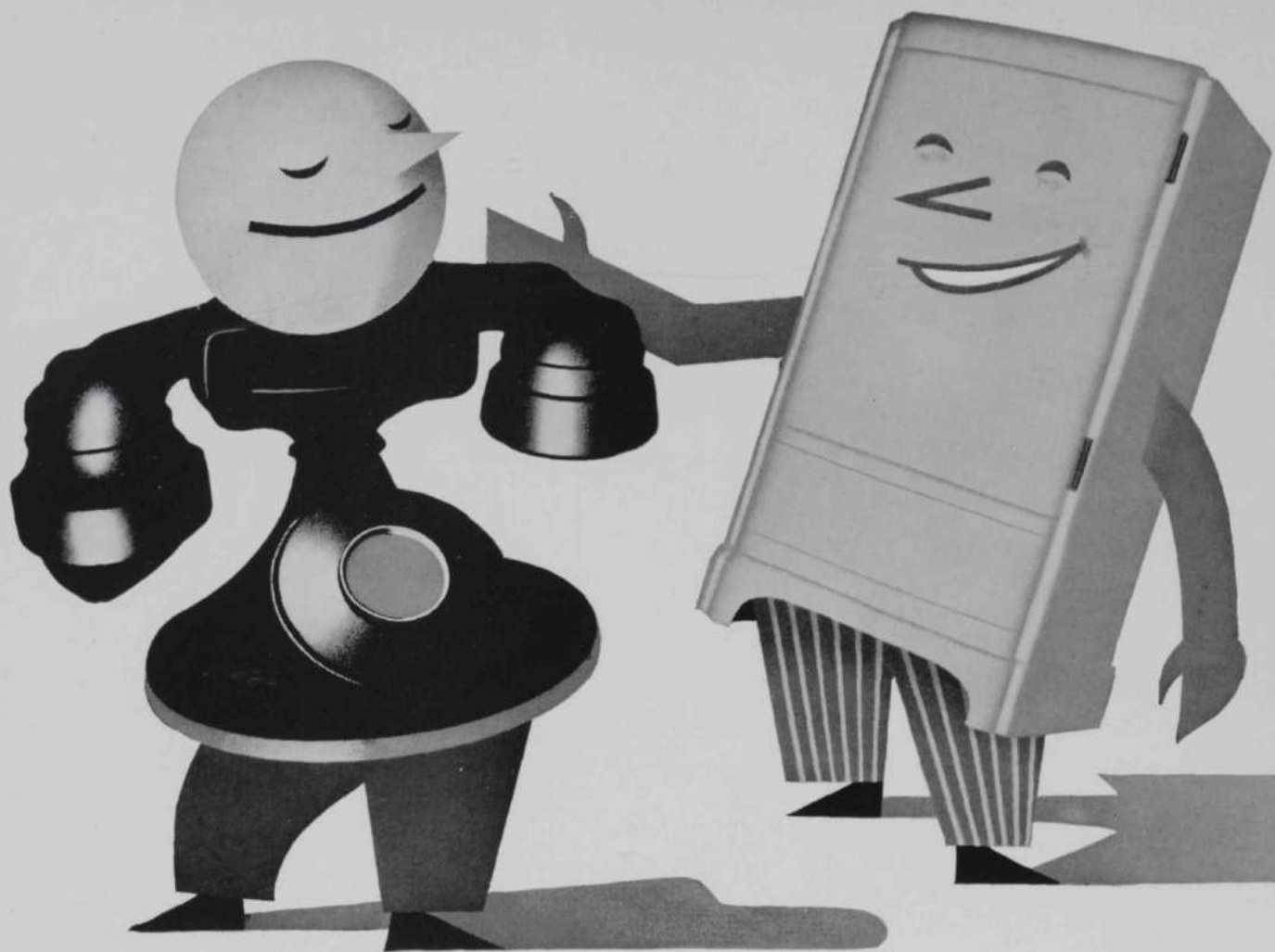
NATION'S BUSINESS



All Aboard—page 11

November
1938

Politics, a First Order of Business • The Vision of Utopia Fades at Matanuska •
The Fair-Labor Standard-Bearer • New England Comes Back United



LONG DISTANCE wins

WARM PRAISE* from *FRIGIDAIRE!

The Frigidaire Division of General Motors Corporation makes wide use of Long Distance telephone service *every day* . . . to regulate production . . . to keep in close contact with changing markets . . . and to stimulate sales.

Long Distance in Production

By telephone, Frigidaire orders materials, follows up deliveries, and maintains an economical balance between production and distribution. *By telephone*, frequent contact is made with 47 distributing points, to check local trends and obtain sales forecasts upon which production schedules can be based. Wide areas are canvassed quickly at small cost.

Long Distance in Sales Work

By telephone, Frigidaire sales executives are in

constant communication with branches and distributors, explaining new policies, outlining new advertising and selling strategy. In turn, the news is telephoned to dealers . . . dealers instruct their salesmen . . . and a nation-wide selling organization of 20,000 goes into concerted action.

Frigidaire is well pleased with its investment in Long Distance—for many phases of the company's distribution and sales promotion can be handled better by telephone for *speed*—for *discussion*—and for *complete understanding*.

Your business requirements may be quite different from Frigidaire's, but judicious use of Long Distance telephone service may prove as profitable for you.



SMARTER STYLING...FINER ENGINEERING...YET 1939 Plymouth is Lower Priced!

**Imagine Getting all these
Great Engineering
Features—at Plymouth's
NEW LOWER PRICES!**

Never Before Has a Low-Priced Car Offered So Much Value

1. Greater Size—114-in. Wheelbase.
2. New High-Torque Engine Performance with New Economy.
3. Perfected Remote Control Gear Shifting—much easier.
4. New Auto-Mesh Transmission.
5. New Amola Steel Coil Springs.
6. "Safety Signal" Speedometer.
7. New True-Steady Steering.
8. 100% Hydraulic Brakes.

ISN'T IT great news about the new 1939 Plymouth—the value is *up*, but the prices are *down*!

There's new shifting ease in Plymouth's Perfected Remote Control Shifting with All-Silent Auto-Mesh Transmission—standard on "De Luxe"... a great new ride with new Amola Steel Coil Springs!

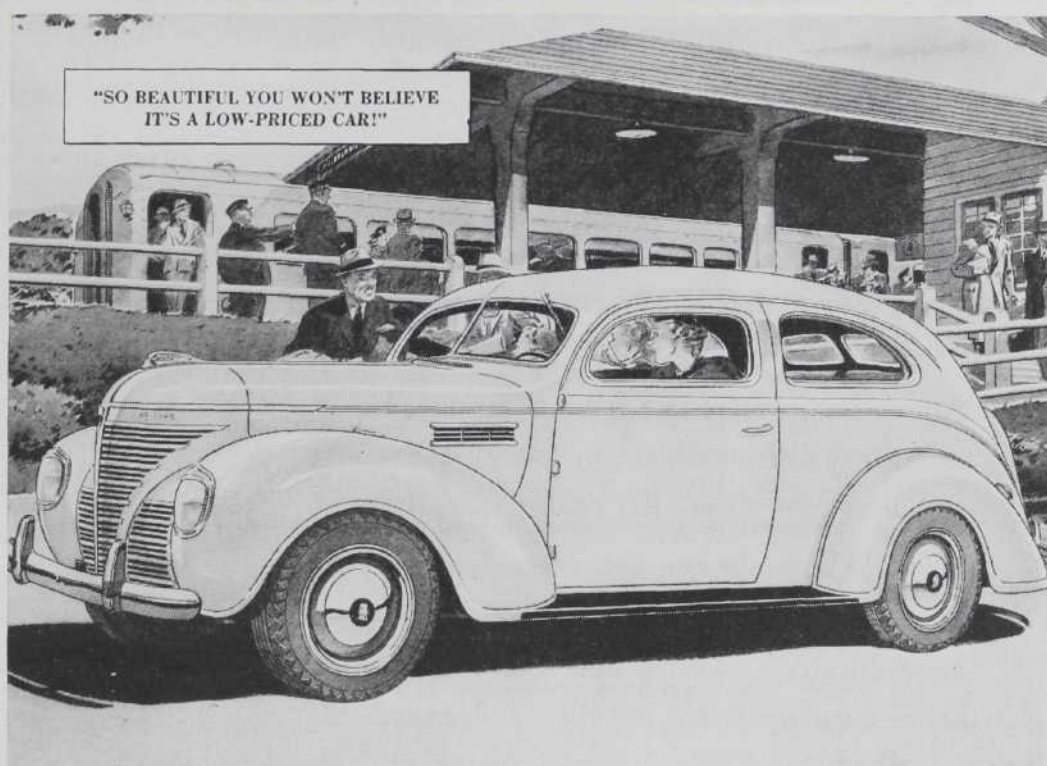
See your Plymouth dealer today! PLYMOUTH DIVISION OF CHRYSLER CORPORATION, Detroit, Michigan.

EASY TO BUY!

CONVENIENT TERMS

"Detroit delivered prices" include front and rear bumpers and bumper guards, spare wheel, tire and tube, foot control for headlight beam with indicator on instrument panel, ash-tray front and rear, sun visor, safety glass and big trunk space (19.3 cu. ft.). Plymouth "Roadking" models start at \$645; "De Luxe" models slightly higher. Plymouth prices include all federal taxes. Transportation and state, local taxes, if any, not included. See your Plymouth dealer for local delivered prices.

MAJOR BOWES' Amateur Hour, C.B.S. Network, Thurs., 9-10 P. M., E. S.T.



THE 1939 PLYMOUTH "ROADKING" Two-Door Touring Sedan...all-steel body completely rust-proofed.

PLYMOUTH BUILDS GREAT CARS

**NEW "ROADKING"
NEW "DE LUXE"**



What America will see at the Auto Shows



A lot of midnight mazdas have blazed in the engineering departments and drafting rooms of America's automobile factories in an enterprising determination to make the 1939 cars still more luxurious, still more economical, both to buy and to own.

Collins & Aikman Corporation, as manufacturers of upholstery fabrics for a long list of cars, have been called on to meet this steady demand for better and better values.

Fifteen years of progress have produced upholstery fabrics which, in today's automobiles, give twice the values for the same money.

Yet today's fabrics are more comfortable, more durable—because new weaves have been developed to provide a denser, smoother and softer surface-construction. New dyes, more fade-resistant and new in

color tones and shades, have been created to enhance the aesthetic appeal of car interiors. Hundreds

of thousands of dollars have been invested in laboratory research during the past fifteen years to improve the riding comfort of automobile upholstery.

The fruits of all this effort and enterprise culminate in the modern "Breathing Back" and other types of upholstery fabrics which you'll see in many of the smart 1939 cars.

The porous-backed construction of these fine fabrics provides a cooler ride in warm weather, a more comfortable one in any season. Their luxurious, silken-soft surface is easy on clothing, easy to move about on, easy to clean. And their ability to give long, hard service and to take repeated scrubbing and cleanings is a promise of higher resale values when today's cars come back at trade-in time.



COLLINS & AIKMAN CORPORATION

200 Madison Avenue, New York City

YOU HAVE A RIGHT TO *KNOW THE DIFFERENCE*

In the past four years, streamlined trains have reawakened interest in the railroads of America. They have been widely publicized and discussed. But there has been a growing tendency to lose sight of the important differences between the various types of streamliners — probably because of misuse of the terms that have sprung up to describe them.

"Streamlining" in itself is a matter of outward shape, aimed at reducing wind resistance. It has nothing whatever to do with the safety or comfort of passengers.

"Light weight," as a term applied to modern trains, can mean much or little. Many of the cars in today's eighty streamlined trains are as heavy as the old conventional equipment. Others are only a little lighter. And yet the elimination of dead-weight is one of the most vital problems facing the railroads.

To reduce weight without sacrificing strength or safety, stronger materials must be used. The strongest available material for railroad cars is 18-8 chrome-nickel steel—stainless steel. Some so-called "stainless-steel" cars have merely a stainless-steel covering. But this shiny exterior bears no relation to true stainless-steel construction.

Budd design and the exclusive Budd SHOTWELD★ method of fabrication make it possible to build stainless-steel cars that are stainless steel *through and through* — cars that maintain the highest factors of strength and safety while eliminating a greater proportion of dead-weight than any comparable equipment now on the rails.

This combination—design, material and method—produces truly *light-weight* cars that are in keeping with the high standards of safety set by the American railroads.

★ Reg. U. S. Pat. Off.

RAILWAY EXPRESS AGENCY

Bought the **FIRST** Cab-over-Engine

INTERNATIONAL

They NOW own 290



WHEN you ship by express you get fast service because Railway Express Agency knows the hauling business. They bought the first Cab-Over-Engine International ever built. And now they own 290 of these trucks in their fleet of *more than 600 Internationals*.

Indisputable *proof* of the highly dependable service and low maintenance cost of International Trucks is found in the simple fact that Railway Express has added 400 *new Internationals* to their fleet *this year!*

Two famous symbols of speed and service ride on these great trucks—the well-known Diamond of Railway Express and the Triple Diamond of International Harvester: Wherever these trucks go

the nationwide network of the world's largest company-owned truck service organization is always at the service of Railway Express. And at the service of every International owner!

It will pay you to apply the experience of Railway Express to the hauling problems in your business. Your hauling may be the same kind as that of Railway Express. Or it may be very different. But you can bank on this: *Internationals will do the same kind of profitable hauling for you.*

Get a demonstration now. International sizes range from ½-ton delivery to heavy-duty 6-wheelers.

INTERNATIONAL HARVESTER COMPANY
(INCORPORATED)

180 North Michigan Avenue

Chicago, Illinois

INTERNATIONAL TRUCKS

QUESTIONS our readers are asking:

- 1 • WHY are business men silent under political attack while labor leaders and others do not hesitate to reply?
..... ANSWER ON PAGE 15
- 2 • CAN any business, no matter how small, be run today without regard for what is going on in Washington?
..... ON PAGE 16
- 3 • WONDER what all those government colonists who went to Alaska think of it by this time? ON PAGE 17
- 4 • HOW can you select your personnel on the basis of facts rather than hunch or opinion? ON PAGE 19
- 5 • WHAT sort of record and experience has Elmer F. Andrews, new administrator of the Wages and Hours Law?
..... ON PAGE 21
- 6 • HOW much of this talk about the decentralization of Industry is actually justified? ON PAGE 24
- 7 • WHY should I be concerned if a lot of small town high schools have taken to playing six-man football? ON PAGE 27
- 8 • WE don't hear as much about the decline of New England as we used to. Have conditions changed or are they just getting used to it? ON PAGE 29
- 9 • HOW is Germany making out with its effort to become self-sustaining?
..... ON PAGE 32
- 10 • WHAT would men from 24 countries have to talk about at an International Management Congress? ON PAGE 44
- 11 • CAN the National Economics Committee be trusted with all the confidential information it requires in its questionnaire? ON PAGE 48

What is Coming in December . . .
Turn to Page 73

Contents for November . . .

	PAGE
Politics—a First Order of Business	15
By JOHN S. BROOKES, JR.	
The Vision of Utopia Revised at Matanuska . . .	17
By HERBERT H. HILLSHIRE	
Cooperation Replaces Guess Work	19
By KENNETH R. MILLER	
The Fair-Labor Standard-Bearer	21
By LOUIS STARK	
Old Car Collection Pays for Owner's Foresight . .	22
Is Industry Concentrating in New Areas?	24
By GEORGE C. SMITH	
Six-Man Football Revives the Village	27
By MARK L. HAAS	
New England Comes Back United	29
By OLIVER MC KEE	
United States Foreign Trade is Key to World Condi- tions	30
The German Bid for Self-Sufficiency	32
By HARRISON E. HOWE	
Management Seeks the Golden Mean	44
By FRED DE ARMOND	

The Regular Features . . .

<i>Through the Editor's Specs</i>	7
<i>Fever Chart of a Tugwelltown</i>By MERLE THORPE	13
<i>No Business Can Escape Change</i>	38
<i>Business Men Say</i>	40
<i>Heard in the Market Place</i>	41
<i>Washington and Your Business</i>By HERBERT COREY	48
<i>The Map of the Nation's Business</i>By FRANK GREENE	66
<i>Leaders in the March of Business</i>	69
<i>Memo . . . for Busy Readers</i>	70

NATION'S BUSINESS • CHAMBER OF COMMERCE OF THE UNITED STATES

VOLUME 26

Merle Thorpe, Editor & Publisher

NUMBER 11

Managing Editor, RAYMOND C. WILLOUGHBY; Business Manager, LAWRENCE F. HURLEY; Director of Advertising, E. V. THOMPSON.

GENERAL OFFICE—Washington, U. S. Chamber Building. BRANCH OFFICES—New York, Graybar Bldg. San Francisco, 433 California Street. Dallas, 1101

Commerce St. Chicago, First National Bank Building. Atlanta, Chamber of Commerce Building. As the official magazine of the Chamber of Commerce of the United States this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

Monroe shatters all speed records with

AUTOMATIC *Split Second* MULTIPLICATION

Found only in this newest
MONROE ADDING-CALCULATOR



BUSINESS has been waiting for, operators have been hoping for this matchless new engineering achievement. For the first time it will give you a realization of truly automatic multiplication.

It remained for Monroe to produce such a machine—one that literally condenses figures so that with a flick of the finger answers flow from it with a speed never before thought possible.

The Monroe Model A1 will handle any figure load easily, cut figure costs sub-

stantially, shorten figure hours, and turn out today's figure information today.

If you have been seeking greater production from a calculating machine then by all means be among the first to see this modern miracle perform on every type of business figuring work.

MONROE

CALCULATING MACHINE COMPANY, INC.
General Offices · ORANGE, NEW JERSEY

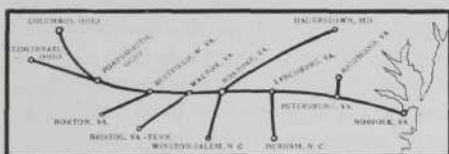
Write for free copy of new illustrated booklet "Two Answers for One," which tells about this latest A1 Monroe Adding-Calculator.



A CHAMPION flashes across the stubble! He stops and freezes to a "point," excited, tense, taut! There is a roar! The birds are up! Shots, and a hushed voice, "Dead bird, fetch!" With a bound the dog is off . . . nostrils distended, tail beating the brush! Proudly he returns to his master, bird held gently in his mouth, head high . . . eager for the praise, "Nice dog!" Marvelous intelligence, yes . . . but developed only through expert training!

You've thrilled, too, at the sight of mighty freight trains rushing through the day or night; stopping here or there on exacting schedules; delivering the world's precious merchandise. Marvelous service, executed safely and efficiently, yes . . . but this, too, is developed only through expert training. This training is one of the elements of Precision Transportation—the unexcelled merchandise freight service of the Norfolk and Western Railway, between the West, Midwest and the Virginias and Carolinas and between the North, the South, and Southwest.

Representatives of the railway, eager to assist you in any shipping problem, are located in the principal cities of the country. Call on them!



1838 — A CENTURY OF SERVICE — 1938

NORFOLK AND WESTERN
Railway
PRECISION TRANSPORTATION

Through the EDITOR'S SPECS

Our newest American sport

WE HAVE said from time to time in these columns that

despite the "deplorable conditions" found so far in practically every activity of American life, our valiant hunters have a thousand witches in reserve ready to be trotted out demanding more Federal action—and expense.

No matter in what direction you look at our national life you may be sure some "commission" has made a "study" and found conditions shocking.

A reader takes the trouble to send us a flock of new witches he finds in one day's news. Here are some of the more shameless ones:

INCOME: The National Resources Committee in an elaborate report states that one-third of United States families receive only \$780 a year or less.

MEN DECAY: The International Management Congress received the result of a survey that 90 per cent of young men and 50 per cent of young women are not fit to marry.

PRE-NATAL DERELICTION: The United States Public Health Service deplors the fact that 32 percent of expectant mothers never have themselves weighed.

DARK CONSPIRACY: A witness before the Dies Committee testifies that prominent industrialists are plotting to bring about fascist rule in the United States. (Names of such to be supplied later—maybe!)

NOSE AMPUTATION TO SPITE FACE: A federal official charges in an address that business men have a secret pact to delay recovery in order to discredit the New Deal.

TYRANNY: Norman Thomas charges the Democratic party with responsibility for suppression of civil rights.

All terrible witches! Timorous Americans will be urged to supply funds through taxes to have them properly policed! If our readers will cooperate to the extent of sending in news of those witches which particularly affright their souls, we'll start a witch-hunting department.

A modern classic

"THE Vicar of Wakefield" cost the English speaking world just \$300. That was the amount paid to Goldsmith for his manuscript. A number of other great classics earned their authors no more.

We have come a long way since Goldsmith's time. Random House has just published "Panorama of New

York," first of another two-volume guidebook in the W.P.A. Federal Writers' Project series. The cost to the Government of collecting material and writing this book was \$1,470,000.

Customary author's royalty on a book is from ten to 20 per cent, depending on the quantity sold. What would the sale have to be for the taxpayers to break even on "Panorama of New York"? The book sells at \$2.50. At the maximum royalty, sales must reach 3,940,000 copies before the outlay to date is returned. If it be argued that the cost figure quoted covers preparation of copy for the second volume as well, and if that volume sells at the same price, the break-even point in sales for the set could be halved.

Only one American book in the country's history ever sold as many as 3,940,000 copies, and only 10 out of the hundreds of thousands published chalked up a sale of 1,470,000.

Wasted talent

IN CZECHOSLOVAKIA the wife of a retired schoolmaster has applied for a divorce on the ground that her husband was wasting his time preparing a telephone directory with the names all spelled backward. He may not be recognized in his homeland but over here this man's genius probably would be rewarded with a job of planning "made work" projects.

As others see us

IN THE matter of these hampering restrictions, we in England enjoy almost complete immunity. We read of it and see it so frequently in other parts of the world that often we thank our stars our own Government recognizes the business-ness of the country as the chief paymasters of the state. Wise government here has seen to it that development is encouraged rather than senselessly, and at times vindictively, limited. A mutilated tree can never return to its pristine beauty, nor are truncated businesses ever likely to repeat the successes of less troublous days.—Selfridge & Co., London department store.

Boast made good

THE MYTHICAL salesman who is so good that he could sell woolen underwear to chorus girls or refrigerators



GETTING BELOW THE SURFACE

The diver must plunge deep to solve the ocean's mysteries. And, likewise, the Hartford Steam Boiler inspector, in his work, delves far beneath surface appearances. For symptoms of troubles which might culminate in power-plant disaster are often too submerged to be otherwise brought to light.

Thoroughness and expert knowledge are more essential in the examination of boilers, turbines and engines than in almost any other inspection work, because power equipment is capable of tremendous destruction if the energy which it generates breaks out of harness.

But inspection alone is not enough. To this company's policyholders are available, also, the counsel of a unique home-office staff and the complete facilities of an organization called upon to handle about half of all American boiler and machinery insurance. Seventy-two years of experience in the single exacting task of engineering insurance are behind Hartford's efforts to minimize the probability of accidents to the equipment it insures.

Ask your local agent or broker how to enlist Hartford's vigilance on behalf of greater security for your power-plant.



THE HARTFORD STEAM BOILER INSPECTION AND INSURANCE COMPANY

HARTFORD

CONNECTICUT

OLDEST IN THE COUNTRY, LARGEST IN THE WORLD. ENGINEERING INSURANCE EXCLUSIVELY

to the Eskimos has sung his own praises in many a smoker and hotel lobby. Now, the refrigerator stunt is no longer a Paul Bunyan myth; it actually has been performed.

James Moran, a Washington, D. C., salesman, made the old gag a reality when he journeyed to Alaska and sold a \$150 refrigerator to Charlie Pastolik, an Eskimo. Charlie paid 50 silver dollars and the balance in furs and other North-country goods. It is understood that, on the strength of this performance, several companies would like to send Moran out on their unproductive domestic territories.

The right to be coddled

WE HAVE passed through the cycle when people worried about the stigma of going on relief, according to State Relief Director Mudd of New Jersey. Recipients now seem to regard this largess as a sort of social security, a regular function of government, a boon that is theirs by right, says the director.

No one should be surprised, of course. This truth was quite well known 100 years ago when John Stuart Mill wrote:

To give profusely to the people, whether under the name of charity or of employment, without placing them under such influences that prudential motives shall act powerfully upon them is to lavish the means of benefiting mankind without attaining the object.

The labor front

"SLOW-DOWN": The existence of a "slow-down" strike among Government employees in Washington has been reported by a well known capital press correspondent, and denied, of course, by officials. It is inspired by members of the CIO United Federal Workers of America and directed principally at the Social Security Administration in both Washington and Baltimore. Since even President Roosevelt has declared an open strike against the Government to be "intolerable," the unionists use this Fabian strategy to achieve their ends. They simply let the work pile up, particularly keeping up that little Social Security card index of some 37,000,000 names.

CIVIL LIBERTIES: Speaking of an investigation into the CIO organization drive in the coal fields of Illinois, West Virginia and Kansas, William Green said that "never before had the (A.F. of L.) Council listened to a story in which it was more plain that workers had been brutally prevented from exercising their civil rights of free speech, free assemblage and freedom to organize into unions of their own choosing. The tragic feature is

that prevention of free speech and free assemblage is caused by an organization that clamors continually for that right."

WHO'S NEXT?: Professional blood donors have been granted a union charter by the A.F. of L.

Manna from the skies

HE SAID the right way to restore buying power and bring recovery was to pour money into circulation in the greatest possible quantities at the highest possible speed. To illustrate his point, he remarked that the ideal thing would be for fleets of airplanes to fly over the country discharging money as they went, so that anybody needing cash could pick it up from the ground.—Amos E. Pinchot's account of a conversation with Tommy Corcoran in 1933.

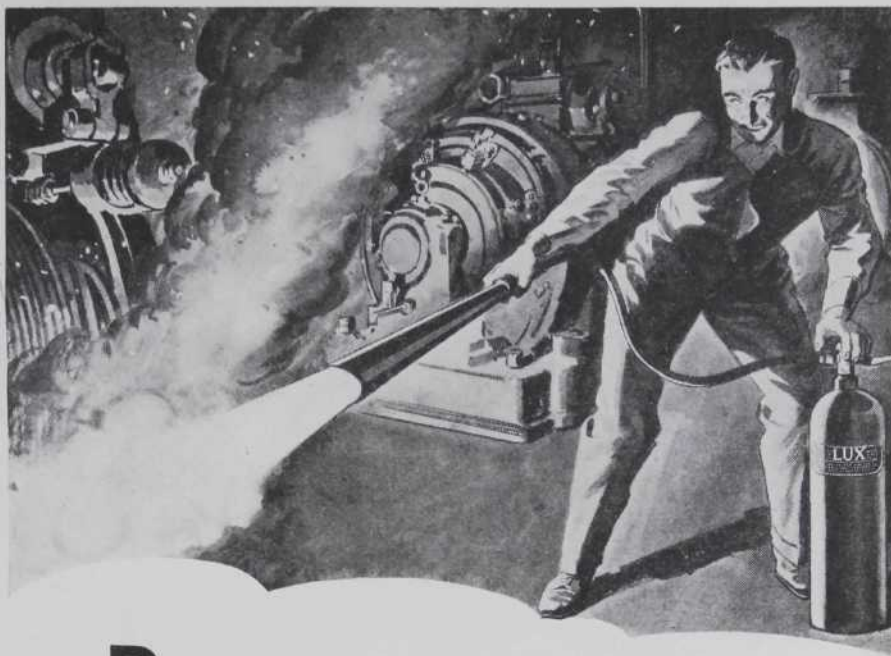
"Ignoble economy of truth"

A SURPRISING minority of conservatives still cling to the hope that there is safety in non-resistance. They admit that private enterprise and individualism are being subjected to a deadly assault, but their only advice is to "play ball" with the reformers—"cooperate," and maybe in some vague way the world will resume its old orbit when the quake has ceased.

This is the blindest folly. A whole system is under fire—not a few individuals and corporations. No adult mind should be deceived by this talk of a "recalcitrant ten per cent." The movement to change everything is sweeping, revolutionary in its scope and intent. A quarter of the nation's population has been taken under the wing of a benevolently autocratic Government. The class struggle is with us in all its ugly reality. These schemes are permanent. "Emergency" is only a convenient excuse for suspending the Constitution as in a time of war and liquidating every check that stands in the way of a group thirsty for power.

In these circumstances no amount of "trimming" will bring even the peace of satiety. It only inspires contempt from behind-the-scenes radicals, causes neutrals to run for cover into the arms of glib promisors. Today no place is left for neutrals. Business either fights or surrenders unconditionally. If it surrenders, the terms are economic extermination. A middle course now would be economic suicide, as it was to the Girondists in revolutionary France.

The safest position today is that of the Girdlers, the Fords, the Weirs together with those thousands of small operators who retain some of the courage and the immunity to herd instincts of the pioneers. If industry stood as one on a manly platform to preserve the rights and dignity of the



BRUTAL TO FIRE yet harmless to men or materials

• It will kill a blaze in a lacquer dip-tank in a few seconds. Yet it will leave the liquid paint clear and clean.

It will snuff out fire in a generator without damaging intricate and delicate windings. You can spray it on your new business suit and find no slightest trace of dampness or soiling.

Gentle as a Kitten

LUX carbon dioxide snow-and-gas is amazingly gentle to industry's most delicate and costly equipment. Yet it is the fastest known extinguishing agent, brutal to fire.

Lux fire extinguishers eliminate delays in your production line. No extinguisher damage. No time-losing clean-ups. No harmful fumes. Lux is clean, dry, harmless.

Let Us Make a Survey

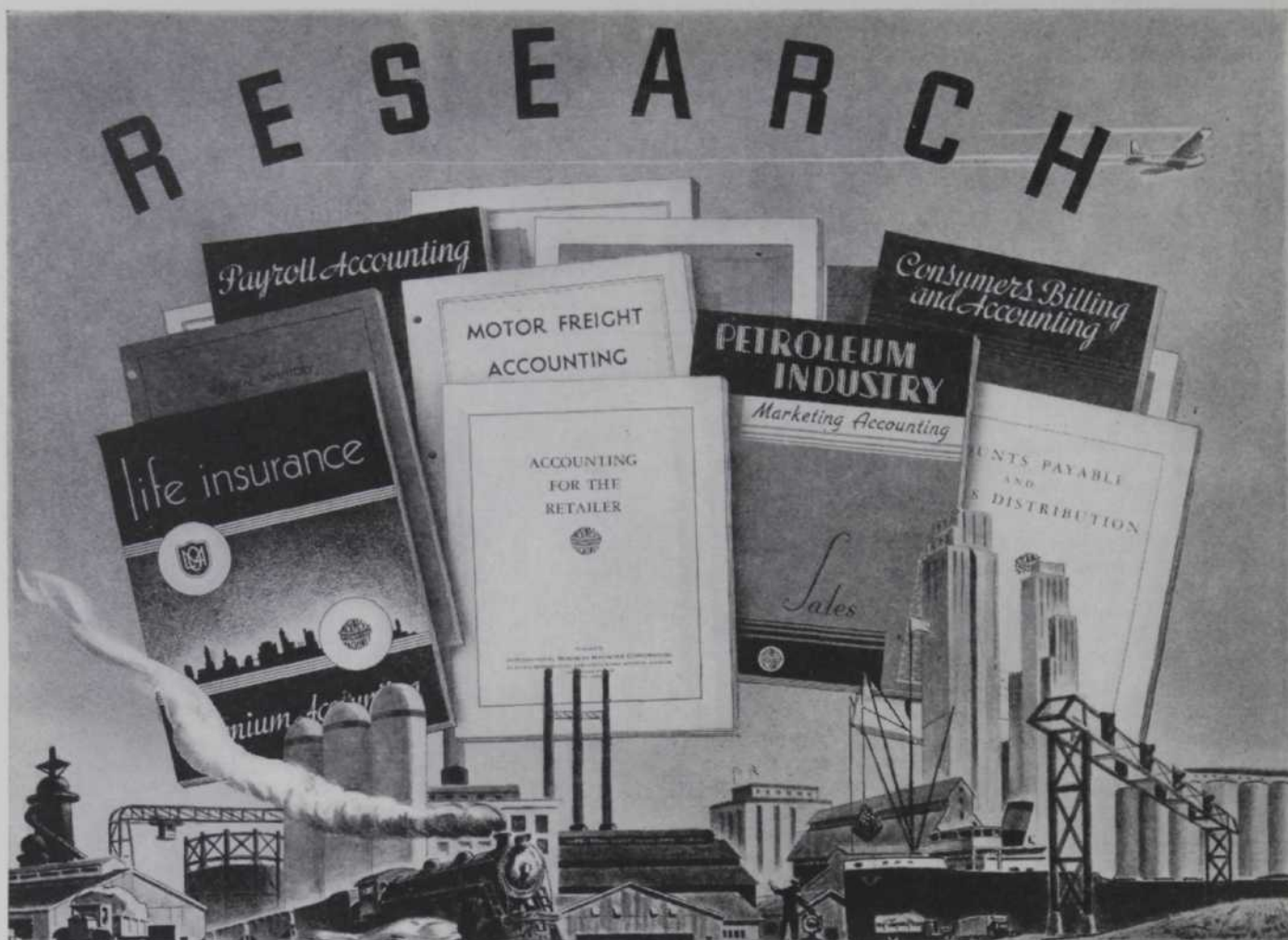
If your fire hazards involve flammable liquids or electrical equipment, install Lux.

Lux technicians have built a 17-year record distinguished for accurate engineering of industrial fire protection. Let us, without obligation, make a survey and recommendation for your specific fire hazard problems.

Write for new brochure
"Lux Makes the Difference"

Walter Kidde & Company
516 West Street, Bloomfield, N. J.





Important **FACTS** behind International Business Machines

To develop more effective means of serving all forms of business, the International program of progress calls for constant study and research.

International representatives fully realize that every individual business presents an individual management problem—there is no one panacea for all. In the World Headquarters Building, therefore, a special department, known as the Commercial Research Department, is continually working toward the improvement of accounting and statistical methods and machines.

INTERNATIONAL



Business Machines Corporation

World Headquarters Building, 590 MADISON AVENUE, NEW YORK, N. Y.
Branch Offices IN PRINCIPAL CITIES OF THE WORLD

This department is working in cooperation with banks and trust companies, utility companies, oil companies, wholesalers, retailers, transportation companies, manufacturers, insurance companies, and many other forms of business, as well as federal, state, county and municipal governments.



A section of the Commercial Research Department, International Business Machines
World Headquarters Building, New York, N. Y.

individual against a foray by collectivists, many other millions would range themselves by its side and concessions would start coming in the other direction.

Further compromise of honest convictions now deserves the castigation in John Morley's epithet: "a lazy accommodation with error, an ignoble economy of truth."

Private business to the rescue

EMPLOYEES of the Government Printing Office in Washington trooped hungrily down to their cooperative cafeteria one noon recently and found it closed by a strike of union restaurant workers. Strikes will happen, even in government cooperative establishments.

Fortunately, the G.P.O. folks, most of them union members themselves, were not called upon to exercise any Spartan self-denial in support of their embattled brethren in the phalanx of labor. They simply went out to the neighborhood restaurants whose owners operate for profit and were served there while the strike lasted. No one missed a meal by reason of the trouble, thanks to private business in reserve.

A debt is paid

CAESAR Gerard came from Italy as a little boy, adventuring with his immigrant parents into a new Western world. Years later Caesar found a job running a jeweler's lathe in the Newark works of the Westinghouse Company. For 17 years, all the rest of his days, he stayed with this one job, saving something from every pay envelope. He came to feel a simple devotion to his new job and his adopted land.

When Caesar died it was discovered that he had willed his entire life savings of \$15,000 "to the United States of America." "This country was good to me," he told his attorney.

We feel better from pausing a moment to contemplate the case of Caesar Gerard. It helps to balance the scales against some of the other matters that we record in these columns.

Salvage

LAST spring the British freighter, *City of Salisbury*, loaded in part with raw rubber from half way round the world, was wrecked in Boston harbor. It lay there partly submerged for six months. Then the price of rubber rose so sharply that the rubber cargo was estimated to be worth \$70,000 instead of its \$35,000 value at the time of the wreck. Only then was salvaging attempted. Previously it had not seemed to the underwriters worth while.

This incident is a case study in

economics. The risk that men will assume is directly proportionate to their reward.

Where progress comes from

FROM New Orleans comes the report of successful operation of a sugar cane harvesting machine, built by a Louisiana planter in a backyard machine shop. Nothing unusual in that. Thousands of American inventions have come from similar beginnings.

The report includes the information that the United States Bureau of Agricultural Engineering intended to request \$75,000 for a preliminary study, to work out plans for such a harvester. Nothing unusual in that, either.

The noteworthy news, if any, will be that the Bureau of Agricultural Engineering has changed its plans and will not ask for \$75,000, since the thing is already done. That will be a man-bites-dog.

All aboard

PERHAPS seasoned travellers finally become so surfeited with wandering that they get no thrill from the cry "All aboard" which means the start of a new journey. For most of us, however, it arouses pleasant expectations. We relax against the cushions or talk to our fellow travellers anticipating, as the reward for our journey, new acquaintances, new scenes, new opportunities.

A part of the pleasure is the knowledge that we are in the capable hands of such men as Photographer Newsmith pictures on our cover. No matter what means of travel we choose, we know that those whose job it is to get us safely to our destination have been chosen because of their fitness for this work, carefully trained and seasoned by experience.

How different our sensations if we knew that the man in the driver's seat held that position only because he had won more votes than another applicant for the place; if we knew that the man at the dispatcher's desk was a political appointee eager for an opportunity to try out some cherished theories.

Happily for us, transportation agencies are not operated in this fashion. Unhappily, government is, and as a result more and more of the activities on which the safety and welfare of this nation depend are being controlled, at least indirectly, by men whose only training for the job is an ability to get votes.

Everyone can sympathize with the passenger who is forced to ride behind an inexperienced transportation crew. It is time similar sympathy was shown for citizens who face a similar danger.

Eight Weeks' Pay!

That's what this operation is costing your order clerk



They were getting along splendidly before her sickness—this employee of yours and his pretty young wife. Living modestly but comfortably. Didn't owe a soul a cent. Even had a bank account.

Then came the mother's long illness and a costly operation. Their savings were soon gone and they needed a loan. Where were they to borrow? Hardly from friends whose incomes are as limited as their own. At a bank? Most banks demand collateral they didn't own, or co-makers they couldn't get.

Helping people help themselves

Household Finance provides a source of cash credit for millions of wage earner families who cannot borrow at banks. Loans run from \$20 to \$300. Borrowers repay in 10 to 20 monthly payments which average only about 7% of current income. Last year over 715,000 men and women made use of the service—to meet emergencies, clean up over-due bills, meet business needs, pay taxes, make repairs, keep insurance in force, pay educational expenses, take advantage of opportunities.

Booklets sent free

To borrowers Household also provides guidance in money management and better buymanship—shows them how to save on daily purchases and get more out of limited incomes. Household's practical publications developed for this work are now used in hundreds of schools and colleges. Executives interested in the welfare of their employees will find the story of Household's family money service interesting and revealing. Why don't you send the coupon below for complete information without obligation?

HOUSEHOLD FINANCE CORPORATION and Subsidiaries

Headquarters: 919 N. Michigan Ave., Chicago
"Doctor of Family Finances"

one of America's leading family finance organizations, with 235 branches in 152 cities
1878 • Completing sixty years of service to the American Family • 1938

HOUSEHOLD FINANCE CORPORATION, Dept. NB-L
919 N. Michigan Ave., Chicago, Ill.

Please send me booklets about Household's family money service without obligation.

Name.....

Address.....

City..... State.....

On Its Record THE GREATEST IMPROVEMENT IN TRUCK TIRES *in 20 Years*

No matter what other
truck tires have done for you...

GOODYEAR YKL

*will do it
better!*

RECORDS of 60% — 80% — even 100% and more — longer tire life coming in from truckers everywhere are proof positive that the new Goodyear YKL is the biggest truck tire advance since Goodyear pioneered the first pneumatics.

What makes this sensational performance possible is the use of RAYOTWIST cord in every ply — a basic new material spun from rayon that far excels ordinary cord in resistance to heat.

Because Rayotwist effectively resists heat—the cause of 82% of all truck tire failures—this new Goodyear YKL will outperform any truck tire you have ever used in these NINE important ways:

1. LONGER TREAD WEAR
2. LONGER BODY LIFE
3. GREATER BRUISE RESISTANCE
4. GREATER SAFETY FACTOR FOR OVERLOADS
5. GREATER SAFETY FACTOR FOR UNDER-INFLATION
6. HANDLES SPEED HEAT
7. GREATER RESISTANCE TO BRAKE DRUM HEAT
8. TAKES MORE RETREADS AND RECAPS
9. GREATER ACCIDENT IMMUNITY

Your Goodyear dealer can show you complete factual evidence of all this. Investigate YKL before you buy another tire — if you want to reduce your tire cost-per-mile to the lowest you have ever known.

TYPICAL RECORDS

"I averaged 30,000 miles with several brands of conventional tires. Goodyear YKL's averaged 70,000 miles." — Joe Long Distributing Company, Wichita Falls, Texas.

"My maximum mileage on other tires was approximately 17,500 miles. To date I have 65,777 miles on YKL's and they are good for 10,000 to 12,000 more." — Clyde Tinker, Johnson City, Tenn.

THE GREATEST NAME IN RUBBER
GOODYEAR

YKL
*-built with heat-proof
RAYOTWIST*
FOR TRUCKS AND TRAILERS



Fever Chart of a Tugwelltown

TWO momentous decisions struck the world September 29. Germany's Iron Chancellor II consented to a Big-Four Parley at which Britain and France purchased the peace of Europe. In our own fair land an incipient revolt was checkmated, a peace was likewise purchased. . . .

The dream-child of Professor Tugwell was Greenbelt, a model community 12 miles from Washington of some 900 homes to provide the abundant life for the underprivileged. It was likewise to be a yardstick and expose the greed and inefficiency of private business.

Men of Vision were called in—Social Engineers, Planners, Builders, outriders of the March of Progress. Blueprints were drawn, conferences, surveys, a thousand press releases. An army like that which labored over the Hanging Gardens of Babylon was requisitioned from the W.P.A. The great project was two years in the building. Before its finish, Professor Tugwell, the father of "Tugwelltown," had decamped and taken up the money-grubbing job of selling molasses.

It had cost the real home-builders of America a pretty penny in taxes—\$16,000 a home unit. The Planners reduced this on the books to \$5,423, crediting more than half to "social assets," which the taxpayer nevertheless paid, and the monthly rents were fixed from \$18 to \$41 a home. Social workers interviewed, analyzed the applicants and carefully picked the chosen ones.

But from the start the Planners found Nature not cooperative. Notwithstanding an outlay of \$531,000 for planning and direct administration, plus \$1,921,000 for top thinking or "Washington overhead" the model yardstick was several inches short. The artificial lake, to be a center for swimming, boating and fishing, alas! disappointed on all scores. A high bacteria count stopped all swimmers. It was stocked with 20,000 fish—the President himself attending the ceremonial occasion—but the fish died. No boats have yet made their appearance.

Nor were the Planners immune to the "extras" which have beset every home-builder since Adam. There were difficulties about the screens and ventilation, the walls leaked, water spigots were on the wrong side and hose had to be carried through the house or over the roof. Transportation

facilities had to be extended to a "through" bus service—taxpayers putting up the difference in fares.

Forgetting the profit system from whence their blessings came, the tenants—70 per cent government employees—were persuaded by the Planners to set up cooperative medicine, a cooperative theater, a cooperative grocery.

Buffeted by Nature, the Planners fared little better from Human Nature. Home-loving instincts rebelled at regulations against children playing on the lawns. Some families wanted extra beds, another violation of the rules. Human nature won its fight for that Freedom to own a cat or dog, and registered its opinion of the rule requiring a communal license to dig in flower beds, and against the fine of 25 cents for a pass-key when its own had been mislaid.

Events leading up to the fateful September 29 grew from a regulation that all washing should be removed from the clothes-lines by 4:30. No weary \$35 a month renter of a \$16,000 house was to have his esthetic sense violated by sight of silk pajamas flapping in the breeze.

Now the Potomac country is noted for its damp and muggy days. No Planning could prevent these from falling on Mondays. So housewives had to scurry out at 4:29 to bring in undried wash. The inconvenience became intolerable. Underneath discontent seethed and threatened to become open revolt. Domestic revolution reared its ugly head.

But diplomacy turned the trick. Peace was bought. Secretary Wallace, who had donned the Tugwell mantle, paid the price. He ordered electric dryers installed.

That is not quite correct. Secretary Wallace did not pay, he only acted for the taxpayers. And those million taxpayers who feel they cannot afford electric dryers of their own, can sleep contentedly in the thought that their representatives in Washington will carry on to the bitter end that their mandate of a more abundant life shall be fulfilled.

Meree Thorne

A Lot of People Think It's Only for Letters

—but here are 14 other

ways, out of many thousands, to which
American businesses and institutions
have put the Mimeograph to work . . .

Direct Mail



Hospital Charts



Menus



School Papers



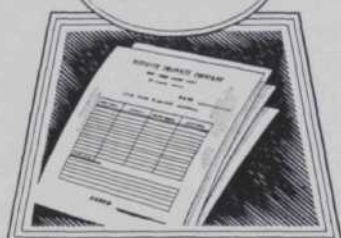
Announcements



House Organs



Forms



Programs



Bulletins



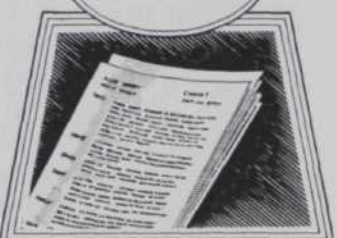
Sheet Music



Booklets



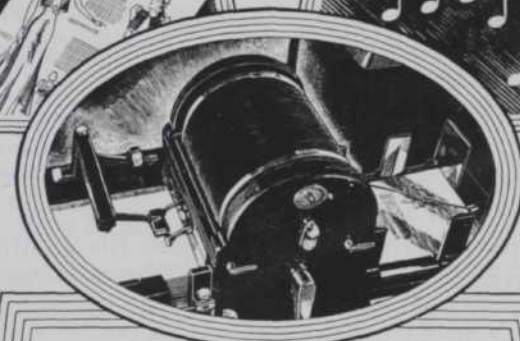
Radio Scripts



School
Materials



Bid Sheets



It's versatile—this Mimeograph. It can get out a daily menu for a small restaurant or thousands of copies of a financial statement for a big corporation . . . And how simply your Mimeograph goes about it . . . Someone gets an idea that he wants broadcast . . . He gives the idea to a typist. She puts it on a Mimeograph Stencil Sheet . . . It's wrapped on the Mimeograph Machine . . . Out spin copies—up to 150 per minute—stenciled in rich black Mimeograph Ink . . . Doesn't this money-making, money-saving process fit your business? . . . A dozen different models at a dozen different prices. Phone the local distributor.

MIMEOGRAPH
is the Trade Mark of A. B. Dick Company, Chicago
Registered in the United States Patent Office



Business could, if it tried, deliver a substantial majority vote for any candidate or issue

Politics—a First Order of Business

By JOHN S. BROOKES, JR.

SOME DAY, soon I hope, the business men of the United States will jump into politics and start fighting for their rights in government.

If they don't, pretty soon they won't be business men. They will be ex-industrialists who have been forced into retirement by politicians who outsmarted them. And they will have only themselves to blame.

Today and over the years, business men provide the wherewithal which makes government possible and, having done this, they leave what they have created to the disposition of professional politicians.

The fact is that our so-called smart salesmen of commercial America are being outsold in Washington and other places where shackles are constantly being placed on business. Busi-

BUSINESS men know many reasons why they should take no active part in politics. Here are some reasons why they should, and some ways to do it

ness men, who lie awake nights if they lose a \$2 merchandise sale to their smartest business competitors, lose no sleep at all when they drop millions of dollars in sales daily to politicians. Make no mistake about this:

A dollar lost is a dollar gone regardless of whether it is due to your failure to sell something you have manufactured or your purchase at a long price of something a politician has produced. The effect on the day's receipts is the same.

If you don't think the politicians are outsmarting business men, just

read any newspaper. Consult, for instance, the issues of September 1, 1938, and see how Harry Bridges, labor leader, dealt with disclosures made public by a congressional committee. "Lies," he termed them and made the front page of one

of our leading daily papers.

How many business men would have the nerve so to designate any testimony about them or their affairs developed by a congressional committee, no matter how far-fetched it might be? They would not think of doing it.

Why the difference in attitude?

The answer is simple. Mr. Bridges has political potentiality. He is a labor leader and as such is considered, rightly or wrongly, a factor to be reckoned with at the polls. Hence his courageous attitude toward political

attack. He knows he has a privileged status as things now stand politically and socially in this country.

In the case of a business man, the situation is entirely different. No matter how important his function may be in business, politically his prestige and influence is not to be seriously regarded. As a matter of fact, it presumably will be in exactly inverse ratio to his standing in the business world. True, he may be useful to have around when campaign expenses are to be met, but he has never learned to use this leverage and he has no other. So the labor leader goes merrily on his way, laughing at congressional committees and the business man is regulated, investigated, publicly fried by the politicians. He meekly accepts it. All because he refuses to take his politics seriously.

And yet, he has, right at hand, the means of making himself politically effective.

The illustration just given of how business men suffer because they have no influence in politics pales into insignificance when compared to the sum total of the things that politics—that is, Government—has done to business in the past six years. If that period really represented a transient

phenomenon, and could be expected to be over, like a nightmare, in a reasonably short while, the status might be dismissed without serious consideration. However, I believe most thoughtful people are convinced that this period represents a transition to a new order which will be markedly different from anything we have heretofore known in this country.

A new political pressure

A NEW social consciousness has been created or awakened of such vitality that it will never become entirely dormant again in our times. Whether rightly or wrongly, the masses—for lack of a better term—have been aroused to new conceptions of their rights in the body politic and of what they can accomplish for themselves through political pressure.

It would therefore appear that a new force in government has arisen calculated to assert itself in the dictation of unenlightened policies which, if not corrected and directed, will operate more and more destructively against a healthy and progressive growth and development of our economy.

Business must get into politics!

Promptly, seriously, comprehensively, and openly. I have been preaching this in my various business associations for several years with little success. But I believe that the progress of events has been and will continue to be such that actual conditions will buttress my position more strongly than any abstract reasoning could ever do. Business' failure to interject itself bodily into politics is largely responsible for much of the governmental interposition and regulation from which it is suffering today. Continuing failure in this regard will not only assure a continuation of the present unsatisfactory state of affairs but will permit this condition to grow progressively worse.

I use the word "politics" because perhaps this is the most graphic method of expressing what I mean. By "politics" I really mean the process of government starting with the smallest unit, such as the city council or the township board and progressing thence to the federal Congress and the Executive branch of the federal Government. "Politics" is the proper all-embracing word because, after all, the choice of the individuals who perform the govern-

(Continued on page 61)



To say that any business, no matter how small, could be run without regard to politics is today utterly absurd

The Vision of Utopia Revised at Matanuska

By HERBERT H. HILLSHIRE



Max Ennes with the contract he won't sign
"because it gives them perpetual dictatorship"

THE MODERN children of Israel are the settlers of Matanuska who are being led, guided and pushed, they know not where. Many of them are good, conscientious, hard working dirt farmers. They ask only to be given a chance to make a successful living at farming in Alaska. Yet, trouble heaps on trouble and even the best of the colonists are now asking, "Can't we be left alone?"

There are outstanding successes among the 171 families who are now on the soil, 50 miles inland from the city of Anchorage. And there are the dismal failures, that can be laid squarely on the door steps of the case workers back in the Middle West, who saw a chance to unload their relief problems —5,000 miles away.



Walter Pippel with an armload of the green onions which helped him earn \$11,000 in two seasons in Alaska



John V. Kirsch, first off the train in Palmer, says, "Alaska is great but regimentation has made the colony helpless"

Alaskans have sufficiently demonstrated that farming will pay its way in the Northland. But they make it clear that it takes a farmer to be a farmer.

From their arrival in the village of Palmer late in May, 1935, to the present the spotlight of politics has given distorted values to the experiment.* Conceived in haste, the colony is a long way from maturity. Those who are not farmers are eliminating themselves and being shaken out, and those who are not good farmers will in time depart for greener fields. Those who remain need never starve in Alaska.

What do the colonists say? Ask Walter Pippel who hails from Robbinsdale, Hennepin County, Minn., and who has made more than \$11,000 from garden truck in the past two seasons and whose produce has taken 25 prizes at the Matanuska Valley Fair.

"When my wife, our four children and I arrived at Palmer, all we had in the world was \$54. The growing season was

*SINCE THIS ARTICLE was written the management of the Matanuska Colonizing Project has been transferred to the Alaska Railroad. Commenting on this change, Mr. Hillshire says: "A shake up in the management of the project will occur soon as a result of the transfer. Those who want to see agriculture earn a good name in Alaska are now more hopeful. Col. Otto F. Ohlson, general manager of the government railway, has a job on his hands. Colonel Ohlson is known throughout the territory as a dynamic executive."

"Since he came to the railroad ten years ago, he has fostered agriculture and has aided new settlers. Whether Col. Ohlson will obtain modification of objectionable contracts is not known. But strenuous efforts will be made by him to place the experiment on a sounder foundation."

half over before we had a chance to do anything with our land. But rather than sit around and squawk about the utter confusion and lack of organization, we walked out to our tract and planted radishes.

"I soon realized that, if the Pippels were to make any money, it would be because we got in and worked and didn't wait until the Government did something for us. The first season we made more than \$80 from our radishes and we could have sold three times as many.

"Come into the house and I'll show you my account books. You can draw

your own conclusions. You will see why, in spite of the fact that I have made more income than any other farmer and am the only person in the Valley paying an income tax, I am being forced off my land and out of the colony.

"I am no longer a desirable citizen. The ARRC (Alaska Rural Rehabilitation Corporation) gave me written notice May 1, 1938, to vacate my 40 acres.

"Well, I'm still here and I don't intend to leave without a fight."

He led the way into an immaculate five room house, tastefully furnished with good quality furniture and, from a colonial desk, took down his farm books and spread them out.

"Why are you no longer a desirable citizen, Mr. Pippel?" I asked.

"I'll tell you why. Matanuska was originally planned to be a farmers' cooperative community. A Utopia in Alaska, where everybody worked for everybody else, everything to be marketed jointly, all made money and everybody lived happily ever after. But it soon became apparent that a good percentage of the colonists had come for the boat ride and would remain just as long as the Government footed the bill for food and overhead. When the ARRC shut down on their credit, the squawks reached to Washington and high heaven."

Walter Pippel then declared
(Continued on page 54)



Walter G. Falk, a non-colonist, with his daughter, Barbara. He makes \$3,000 a year on his Alaskan farm



A colonist home near Palmer. One colonist complains that nobody inquired as to what sort of buildings he wanted although he admits that the barns "impress the tourists"

Cooperation Replaces Guess Work

By KENNETH R. MILLER

THE life insurance companies have developed a plan whereby all share the benefits of individual experiences

"DO YOU know how your sales compare with those of your industry as a whole? Are you getting your share of the available business? How do you select your personnel, by hunch and opinion, or on the basis of facts? Do you know the sales practices of your competitors? Do you know how your sales or your advertising expenditures compare with those of other units of your line of business?"

Impertinent questions, these? Yes, perhaps. But, on the other hand, the future of business is going to depend on how we are able to answer them. A changing social philosophy and legislative trends are having a marked effect on distribution problems and practices. Doing the same old thing in the same old way may mean business obsolescence. What is the last word today may soon be as obsolete as the oxcart and grandpa's gold toothpick.

To progress, then, we must uncover facts and changes as they develop. But most of us have little time for probing deeply under the surface for facts to help our judgment in improving the distribution of our products or services. Yet we know that our judgment is only as good as our information.

For business, then, the question becomes: "How can we bridge this gap?"

Available experience indicates that one approach is through cooperative sales research. Business secrets used to be guarded with all conceivable care. For instance, the secret of silk was guarded from the time of its discovery in China in 2640 B.C. so carefully that it did not reach nearby Japan until the third century of the Christian Era.

Today such secrecy seems foolish. Modern business has learned that it pays best to exchange original ideas for original ideas of competitors.



Companies using the selection plan find that salesmen rating "Excellent" produce about 2½ times as much business as those rating "Poor"

GEORGE LOHR

Someone stated the principle when he said:

It is a wise man who learns from experience, but a superwise man learns from the experience of others.

The trend in modern business is to pool experiences with others and, from this common pool, each will get more than he gives.

For example, as far back as 1921, American and Canadian life insurance companies recognized the need for cooperative sales research and for pooling information which would enable one company to profit by the experiences, good and bad, of all the others even though they were competitors. Why? Because they sensed the need for facts in any program to improve the distribution of life insurance; facts which one company could not produce alone but which would be of equal value to all companies.

Let's look at only one example of what research and cooperation can do. Ten thousand life insurance sales-

men (to be exact, 10,111) recently served as guinea pigs without knowing it. The problems of life insurance sales management are common to those of other industries. A natural objective of life insurance sales management is to improve the selection of salesmen and to have an increasingly larger number of men make good in the business. In short, its objective is to reduce turnover and increase the average results per salesman.

For the life insurance business, this is not a new or unique objective. In common with other industries, it has nibbled at this problem for years.

A few life insurance companies had even developed rating charts of one form or another to aid the judgment

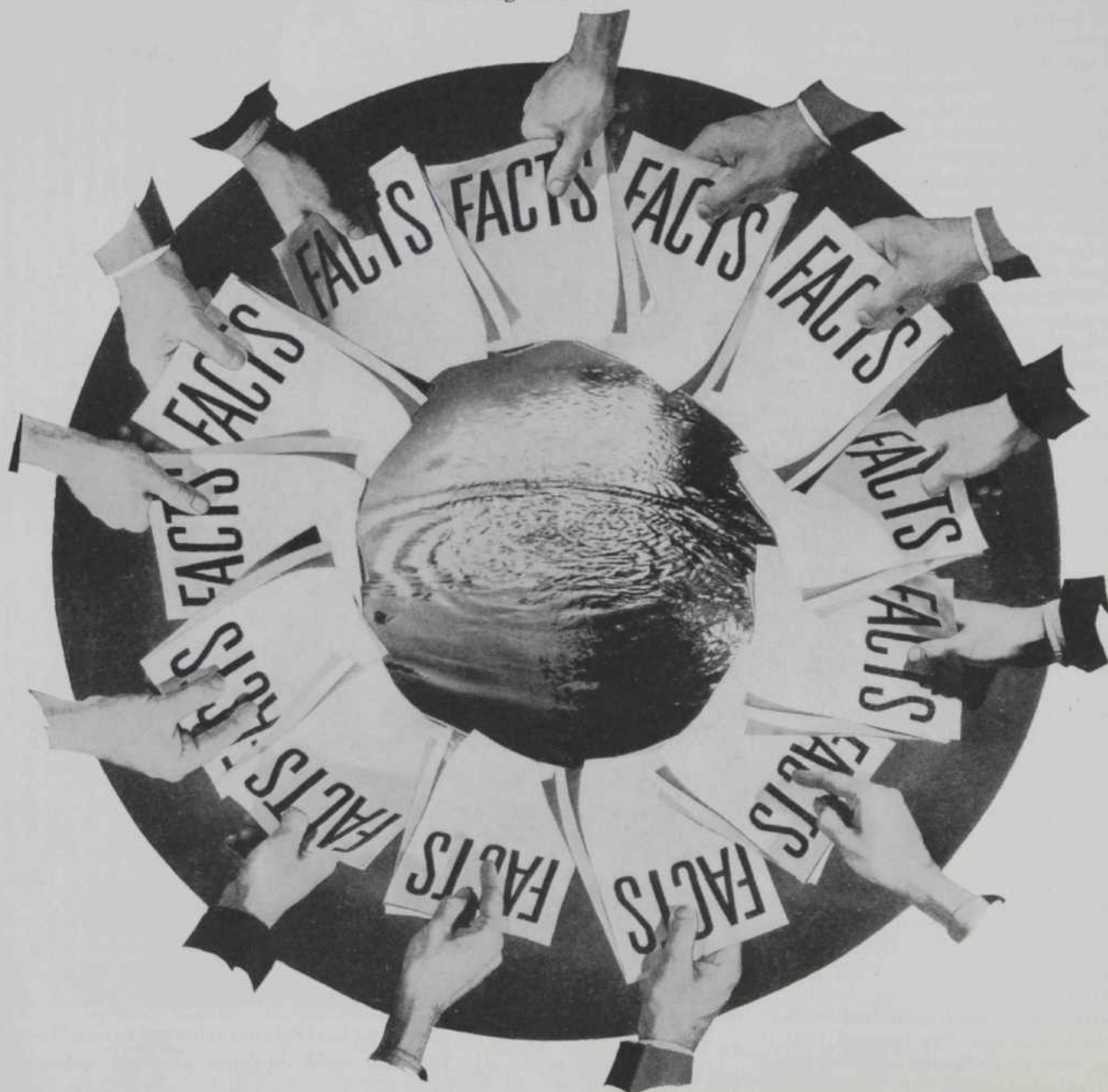
of their local managers in selecting salesmen. Some of these plans were based on fact, others only on opinion, but none was wholly satisfactory.

This problem was among the first to be studied when the Life Insurance Sales Research Bureau was established in January, 1922, and, when the Bureau enlarged its scope of activities two years ago, the study was renewed on a broader basis and from a scientific point of view.

In the current study a number of the larger life insurance companies operating throughout the United States were asked to pool their records of all salesmen without previous life insurance selling experience who were contracted in a recent three-year period. These records were analyzed on the basis of 24 personal history factors. A numerical measure of the average worth of all these factors in predicting a man's success was devised. When all these factors had

(Continued on page 74)

The cooperative search for facts permits companies to give more service without increasing costs



The Fair-Labor Standard-Bearer

By LOUIS STARK

MEET the man who will, in the opinion of many observers, make the wages and hours act a success or failure

"WE ARE going to depend on the citizens of the United States to make the law work," says Elmer F. Andrews, "not on an army of officials from Washington."

Mr. Andrews is the administrator of the "Fair Labor Standards Act of 1938" which went into effect October 24. He is a compact, solidly-built man with black hair and large brown eyes. His demeanor is quiet, almost shy, and he seldom raises his voice above conversational level although it is a firm voice.

These things are important to know because, in the opinion of qualified observers, the Fair Labor Standards Act will most likely stand or fall depending on the abilities of its administrator. Add to that the fact that those business men and others who have to live with the law and abide by it if possible have a right to know whether they may expect to be hounded, bullied or treated like human beings and it is plain that Mr. Andrews' record to date takes on more than biographical interest.

That record reveals that Mr. Andrews is not an industrial czar. A rather piercing inquiry discloses none of the attitudes of a bureaucrat, "crack down artist" or "I am the law" type of official.

Catapulted into his position on short notice, Mr. Andrews left New York State, where he served as State Labor Commissioner, and brought to Washington an outlook on problems of public administration typical of the "engineer-administrator" class of public official.

"How can we make it work?" has usually been his reaction to any new law or change of administrative procedure. This has been his touchstone, whether in dealing with state mini-



Elmer F. Andrews' record reveals none of the attitudes of a bureaucrat

mum wage laws, workmen's compensation laws or unemployment insurance enactments. He has dealt pretty extensively with all three.

Engineering experience

WHEN Rensselaer Polytechnic opened its doors for the newly graduated civil engineer in 1915 he was 25 years old. He had been married two years earlier and looked forward to an engineering career. Hardly had he put his feet on what he felt was the first rung of the ladder when the World War broke out. He enlisted promptly, entering the Air Service where he became a lieutenant. After the war he spent some years in railroad work. His first railroad engineering job was in Cuba where he remained three years. Then followed engineering and financial tasks on the Bangor and

Aroostook, the New York Central and the Seaboard Air Line.

In these years Mr. Andrews attained a certain familiarity with the financial background of the railway industry. He developed an awareness between legitimate promotion and questionable enterprise.

Later he became manager of the highway and bridge bureau of the Queensboro Chamber of Commerce. While holding this post, he drew up a master plan of the Borough of Queens which provided for parks, an arterial highway system, playgrounds and bridges. He seems to have had an uncanny ability for looking ahead as the Triborough Bridge, the Midtown Tunnel and the Whitestone Bridge are the logical fulfillments of the plans he charted.

From the Queens Chamber of Commerce
(Continued on page 78)

Old Car Collection Pays for Owner's



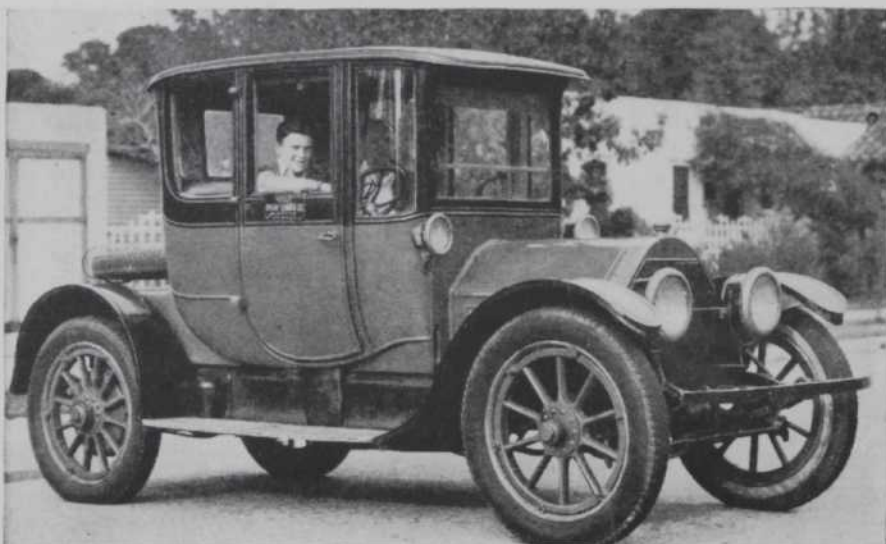
RAIG

A 1908 Sears Roebuck mail order job. Cars of this period had numerous hang-overs from the horse and buggy age. This one has a whip socket.



HECKMAN, SHELTON, WASHINGTON

Where new cars for old-car collection come from. This 1905 Buick was found in an old barn on a small farm in Washington 16 miles from highway



"DICK" WHITTINGTON

A 1912 Cadillac coupe is one of the best income producers because enclosed models 20 years old are hard to find. Note the steering wheel on right

IF YOU want to get rich collect something—old newspapers, old typewriters, old razors, or what have you. Arthur Twohy of Los Angeles collects old automobiles and rents them out for enough to bring him a tidy income.

He has about 30 cars in his collection, all of them in running order. The oldest car is an 1897 model Haynes-Apperson and the youngest are several makes and models of about 1920 vintage.

Mr. Twohy rents his old cars to motor shows, for advertising purposes, and to the movie studios whenever they want to make a picture of the World War period or earlier. The film producers pay \$1,000 or more for the use of an old car and the driver's services for two weeks and insure the car against damage or destruction.

When an automobile show burned up in Los Angeles about 1920, the Packard Company lost a valuable and ancient model that could not be replaced. That incident served to remind Mr. Twohy that a collection of old automobiles would be a worth while investment with a steadily increasing value. So he began buying and reconditioning ancient cars.

He advertises for old cars, buys them for little more than the price of junk, spends a few hundred dollars reconditioning them and now has a fleet of "old relics" in as good mechanical condition as the day they were



M-G-M STUDIOS

A steamer like this hung up the world's speed record in 1908. But motorists didn't like to wait from five to 30 minutes to get up steam

Foresight

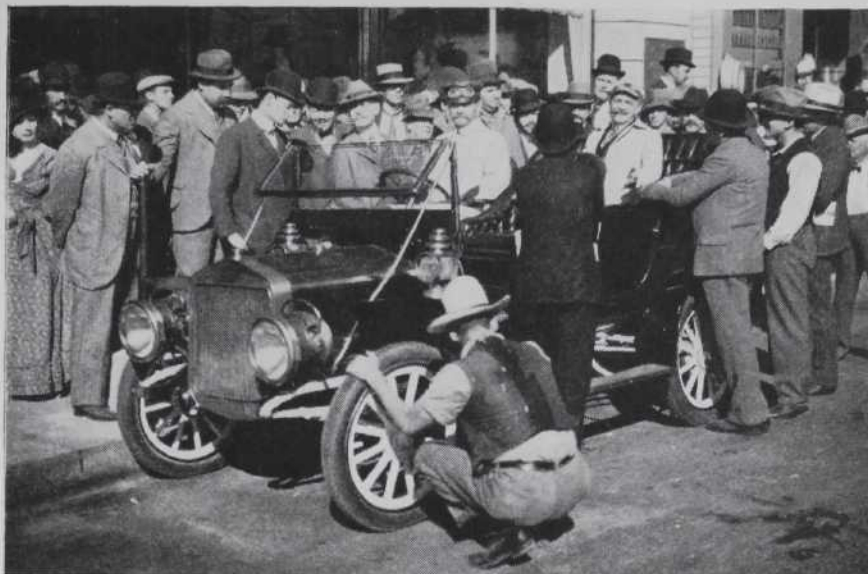
HOW brains have been used in the auto industry to give us better transportation is shown by comparing these old cars with the models in this month's shows



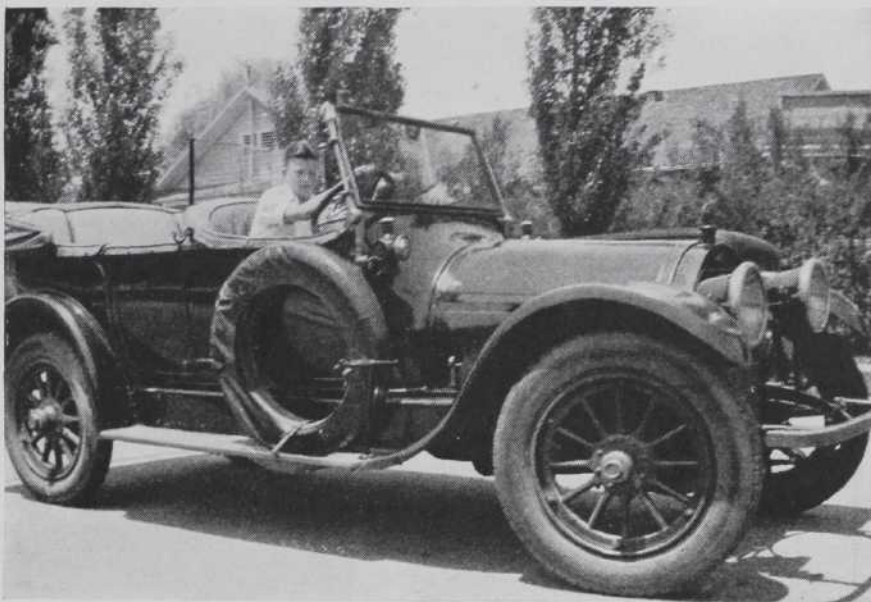
HAIG
This Pierce-Arrow of 1902 cost \$3,500. It had one cylinder, coal-oil lamps and bicycle-type wheels. House in background is also used in movies

first put on the market. His collection is so valuable and so irreplaceable if destroyed, that he houses his old cars in private and commercial garages all over the city as a safeguard against earthquake and fire. The rental of such garage space is the largest item of overhead, but it is relatively small compared with the income.

He and his two sons are the only men who can drive all these specimens of the gas buggy evolution. There are clutches that push in to start locomotion, six and sometimes eight gear shifts, all sorts of hand levers, push-pedals and what not. He says it would take a pipe-organist to drive his 1910 White Steamer with its two steering wheels and almost as many gadgets to look after as there are in the pilot house of a \$100,000 air liner. It is frequently a difficult problem to handle one of these old cars in modern city traffic. That is why he never entrusts the job to anyone else until the car has been delivered to a motion picture lot where the insurance goes into force.—JOHN ANGUS HAIG



RADIO PICTURES
Meet Mr. Twohy himself behind the wheel of an old two-lunger Buick where he doubles as renter of the car and as an actor in the filming of "Cimarron"



This 1913 Stevens-Duryea is said to have been used for approximately a year in Washington, D. C., by President Woodrow Wilson



20TH CENTURY-FOX STUDIOS
This 1905 Maxwell competed with the horse and buggy for favor from the younger set. Rental for "slick jobs" like this makes the cash register jump

Is Industry Concentrating in

By GEORGE C. SMITH

THE LOCATION of industry has a bearing on many problems—social, political, and economic. The subject has, in recent years, attracted the attention of social workers, students of population trends, politicians, national governments, community builders, and engineers, as well as industrialists.

At least two governors owe their elections largely to campaign theses of state-wide industrial development; their inaugurations being followed by enactment of legislation favorable to industry, particularly new industry, and including exemption from taxation, the creation of state industrial commissions, and the launching of national advertising campaigns to bring new enterprises to their states.

Viewed nationally, the recent rather rapid development of industry in the South has caused many representatives of that area to turn from an age-old political policy of free trade to one of high tariff for the protection of southern industries.

France, for military purposes, now offers subsidies and tax reductions to industries which will move to areas where they can be more readily defended in case of war. England has an official commission studying the possibility of redistributing its manufacturing plants to reduce congestion and increase military safety.

President Roosevelt has spoken of the need for correcting the overbalance of population in our industrial centers.

The National Resources Board assures us that interest in decentralization appears to be nation-wide, and there are many who believe that a redistribution of industry to semi-rural locations where employees can have part-time industrial and agricultural work will cure all or most of our economic—and some of our social—problems, particularly unemployment and relief.

Chambers of Commerce, quick to sense the selling value of this decentralization sentiment, have campaigned for the industrial growth of their own communities, often with little regard for the economic aspects of the problem most vital to a specified manu-



EWING GALLOWAY

Concentration into relatively few locations has been industry's most definite locational trend. Thirty-three industrial areas produce 60 per cent of all the goods manufactured in this country

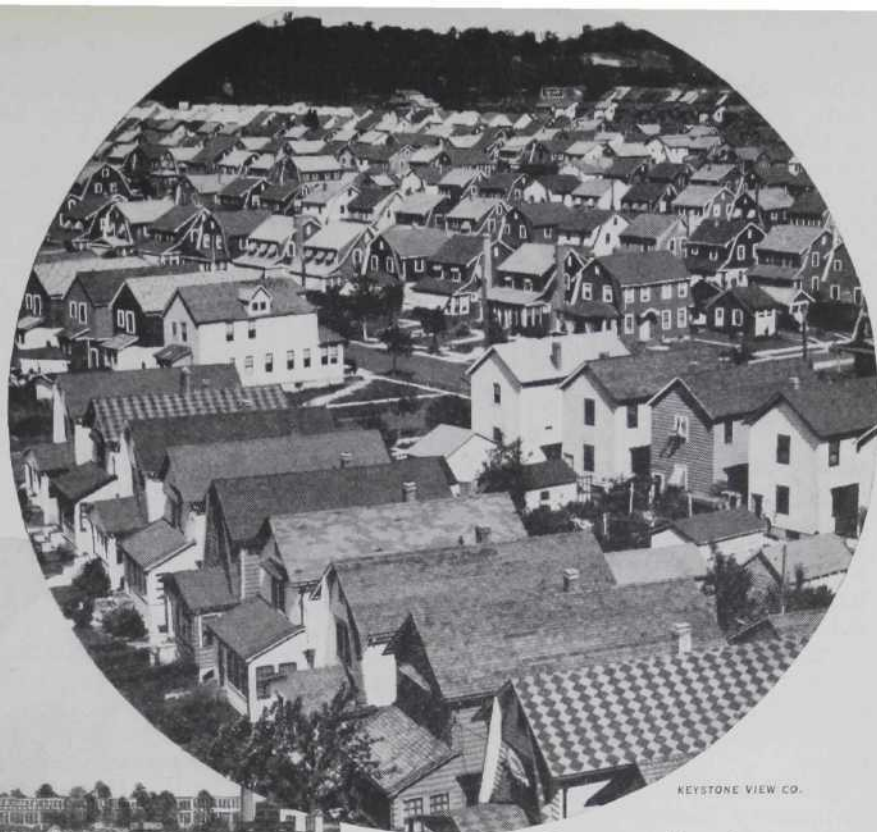


EWING GALLOWAY

The rapid concentration of population without a corresponding growth in employment opportunity generates problems of relief, overcrowding, sanitation and breeds crime and immorality

New Areas?

SHIFTING of industrial plants is no panacea for solving problems of unemployment and overcrowding



KEYSTONE VIEW CO.

Decentralization may cause suburbs to become dangerously overcrowded



LOCKWOOD-GREENE ENGINEERS, INC.

Widespread use of the automobile, lower taxes, usually lower wage scales and wide distribution of electric power in smaller communities have helped attract manufacturers away from concentrated areas



INDUSTRIAL BUREAU, ATLANTA CHAMBER OF COMMERCE

This plant of the Goodrich Rubber Company at Silvertown, Georgia, is but one of 10,000 examples of the increasing tendency to establish branch plants at locations removed from main factory

facturer. Throughout our history, industry has been free to choose its own location and to determine policies with respect to its expansion or contraction, the distribution of its branch plants, or its relocation from one place to another. In consequence, over a period of years it might be expected that the industrial map of the United States would change, particularly as changes in the distribution of population have changed market possibilities or as supplies of raw materials have been exhausted or new sources discovered.

Perhaps this freedom to choose locations and determine policies is the cause of the lack of knowledge as to how much decentralization and migration have taken place. Students of economic geography have done little research in this field as yet. Conceptions and misconceptions are based on wholly inadequate knowledge, and definitions of terms and standards are still confused.

Concentration into relatively few locations in the United States has been industry's most definite locational trend. Thirty-three industrial areas, each embracing a principal city and its environs, produce 60 per cent of all the goods manufactured in the country and employ 55 per cent of the nation's factory wage-earners. These areas comprise only three per cent of the counties, but contain 36 per cent of the nation's population.

In 30 years these industrial areas increased 110 per cent in population,

while the nation increased only 62 per cent, so that approximately one-half of the total national increase in population was concentrated in these areas; although there was no proportionate increase in the number of factory jobs.

This rapid concentration of population without a corresponding growth in employment opportunity has generated problems of unemployment, relief, overcrowding of living quarters, sanitation, health, and has doubtless bred crime and immorality. It has also added heavier tax burdens on those who could pay, because government had to assume many of the added costs growing out of this congestion. Present interest in decentralization doubtless results from the creation of these problems of congestion which, however, do not result from a concentration of industry, but rather from a lack of it.

Emotionalists ought to bear these facts clearly in mind before placing the blame for the evils of our urban economy.

Concentration has some advantages to industry, among them a supply of trained labor, available central power stations, freight rates, available pool or package car services, banking accommodations, public utilities, adequate housing, accessibility of service institutions and semi-finished products.

Usually these advantages can be offset in isolated locations only by higher operating costs. However, the automobile, lower taxes, usually lower wage scales, and the wide distribution of cheap electric power have tended to make the small town more attractive.

Individuals will decide

WHETHER industries concentrate or not will depend on the industries' own analyses of factors affecting cost of production and distribution. Individual migrations will not arise from any motive except profit, unless a wholly new concept of political control over industry is substituted for the present system of private initiative.

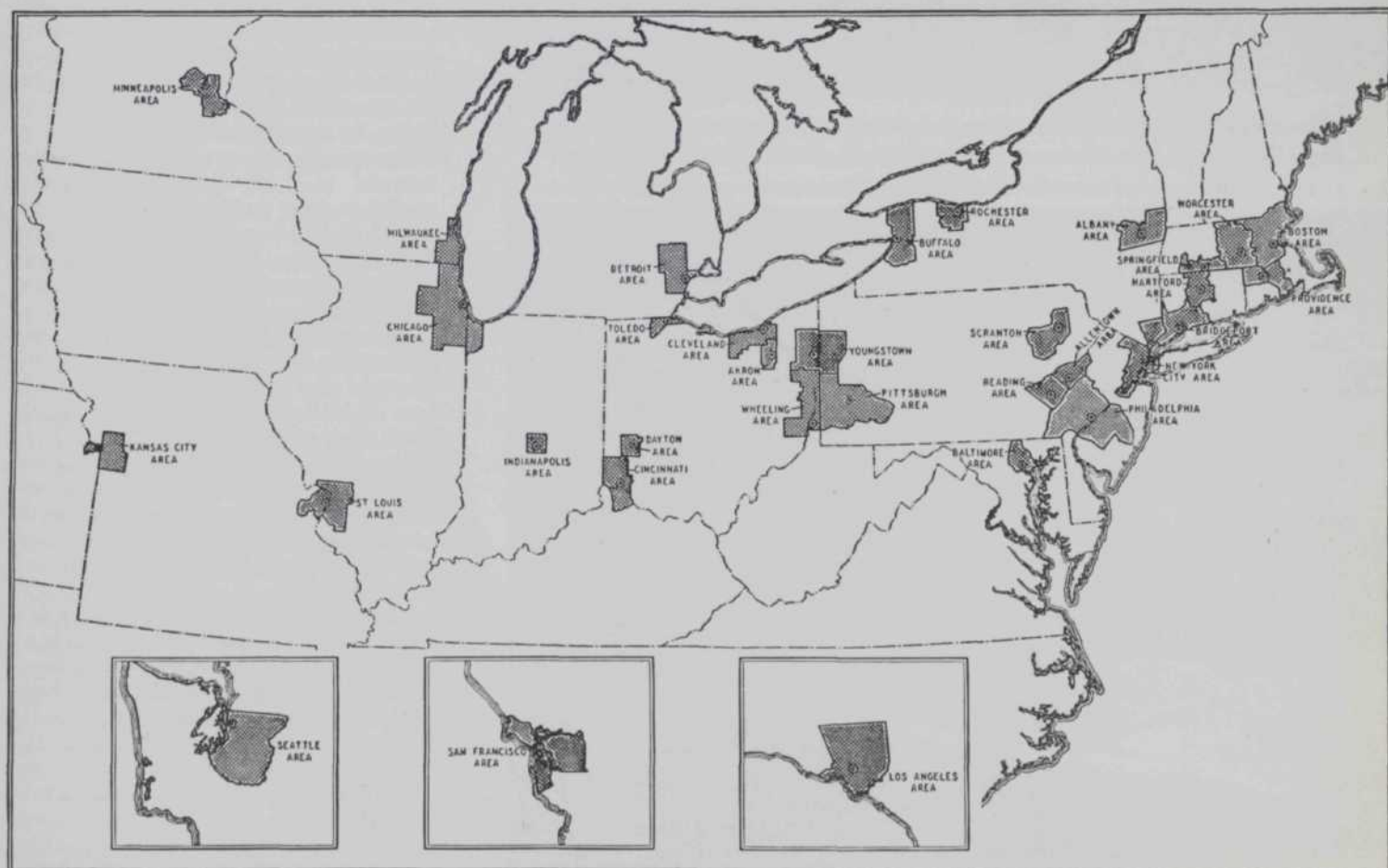
That the larger cities no longer possess monopolies of location advantages can be demonstrated logically and statistically. The cities which are the centers of the 33 industrial areas previously mentioned have shown a marked decline in their percentages of the total wage jobs in the United States (in manufactures) in the past 35 years, while the rural portions of those areas have shown substantial percentage increases. The relative importance of these rural areas has increased nearly 30 per cent in that time, a much greater increase than is shown for other

industrial cities or counties outside these areas or for the remainder of the United States. This migration trend from the central city to its rural area does not deprive industry of most of the advantages of centralized location, but it does eliminate many disadvantages, such as congestion, high tax rates, and high realty values.

Such a movement suggests need for widening the scope of the city plans and the vision of Chambers of Commerce to bring about the proper development and use of suburban lands. In at least two states, California and Wisconsin, legislation has already been passed for county zoning. The growth of a regional consciousness which will eventually enable a city to serve its environs with utilities and police protection and supervise the use to which its land is put will add much of value to the present movement of population to the suburbs.

It may appear to be begging the question to call a movement from the central city to a nearby rural location, "decentralization;" but, viewed socially, it seems to make little difference what the distance of the move, so long as the new location removes the industry from a congested area.

There is another type of decentrali-
(Continued on page 80)



The 33 industrial areas defined by the United States Bureau of the Census produce 60 per cent of our manufactured goods, but contain only 36 per cent of the nation's population

COURTESY BUREAU OF BUSINESS RESEARCH, UNIV. OF PITTSBURGH



Into the huddle to pick a play for use against a 3-2-1 defense

Six-Man Football Revives the Village

By MARK L. HAAS

THIS FALL may have marked the rebirth of the small town market because this fall small towns went in for football in a big way and football brings crowds and crowds spend money.

In the fall of 1937, *The American Boy* magazine started out to nationalize a new game. It really wasn't a new game but, rather, a lusty son of football. *The American Boy* discovered that down in the village of Chester, Neb., a school teacher, Stephen Epler, had invented a new type of fall sport which he called Six-Man Football. The game is intended for schools too small to finance or man the regulation 11-man team.

Epler and his principal, Dean Moomey, bemoaned the fact that the boys of their school, which had an enrollment of less than 100, were deprived of football. A survey showed him that more than 10,000 other high schools of similar size were without a fall sport.

"Our high school needs a fall sport to bolster school spirit," said Principal Moomey. "However, even if we



Future candidates for the six-man All-American watch this year's crop

had enough boys to play football we couldn't afford the equipment to outfit an 11-man squad."

"I know," agreed Epler, "but I've been working on a new game that will require fewer men and, therefore, less equipment."

"Produce such a game and you'll have my support in putting it over," Moomey promised.

So Epler went to work in earnest. He decided immediately that the number of linemen could be reduced dras-

tically. He dropped tackles and guards. Then he proved on paper that virtually every football play could be executed with only one halfback so he lopped off a halfback. As a result he had a team of six instead of 11. That's cutting the overhead almost in half. Any high school would be able to support and man such a team.

A few additional changes were made in the standard game to meet the new set-up. The field was reduced from 100 yards long by 160 feet wide to 80 yards long by 40 yards wide. As a safety measure, Epler specified that the man receiving the ball from center must pass it to a teammate, with a forward, lateral or backward pass, before crossing the line of scrimmage. This slowed down the offense enough to take the edge off those bruising line plunges. Every man on the team was made eligible to receive a pass.

To encourage kicking rather than the desperate scrimmage that always prevails when a team nears the goal line, Epler awarded a premium for goal kicks. He widened the goal posts

to 25 feet, raised the posts to 20 feet and lowered the cross bar to nine feet, making successful kicks easier. Try-for-point after touchdown nets two points if made by kicking, only one point if made from scrimmage. A field goal counts four points. Other changes are minor and were made to make the game safer. Epler realized that, if his game were to live, it must be free of serious injuries.

The game retained all the elements of standard football, however. It is more open, perhaps a bit more razzle-dazzle, than regulation football. It is a game that will develop individual stars because every member of the team can score, is a potential hero. The piling up of players does not screen plays so spectators can better see what is going on.

On September 26, 1934, four Nebraska high schools, Chester, Hardy, Belvidere and Alexandria, combined to make up two teams to play the first game of six-man football. Chester and Hardy united as the Chest-Hards. The other two were known as the Belv-Alexes.

The teams found the game easier to play than the rooters found the assumed names to pronounce.

For the first time in history football invaded the country. More than 1,000 farmers and villagers assembled and saw a hard-fought game that ended in a 19-19 tie. None of the players had ever played football before. Most of the spectators had never seen a game. But both elements approved six-man football and, since the sport has been nationalized, this approval has been confirmed by thousands of spectators, players and by all leading college coaches. From the farmlands and villages will come the future "Red" Granges.

In 1937, *The American Boy* distributed thousands of booklets giving rules and plays as prepared by the originator of the game. The magazine organized a national rules board, named observers for various states and climaxed the season by announc-

ing an All-American six-man football team.

This fall more than 2,000 high schools, too small to support 11-man teams, are playing six-man football. More than 20,000 high school boys who, before the coming of the new game, had never played football, are out on the gridiron snagging passes, or crashing through the line. It is expected that next year at least twice this number will be in uniform and eventually most of the 10,000 high schools now without football will be playing six-man.

A change in business

BUSINESS perhaps isn't particularly interested in the game, itself, but business must realize that six-man football is having an effect on the buying habits of villagers and farmers. It is creating new markets, reviving and enlarging old ones.

For instance, business might well realize that approximately 2,000 high schools which never before offered a market for football equipment bought some 20,000 outfits of one sort or another this fall.

And, from the general merchandise angle, business might find it profitable to make a new appraisal of the fall small town market. That appraisal,

among other things, would show that the motor car which in recent years has been taking Farmer Jones and his family to the city for Saturday shopping now gets no farther than the nearby village. It would show that, in addition to their weekly purchase of staples and such, the family buys tickets to the football game. As one small town superintendent puts it:

The playing of six-man football has a tendency to hold people in our community rather than for them to go elsewhere for their entertainment and shopping. Local business, especially, is enthusiastic about the game. Our games are important events in the community life.

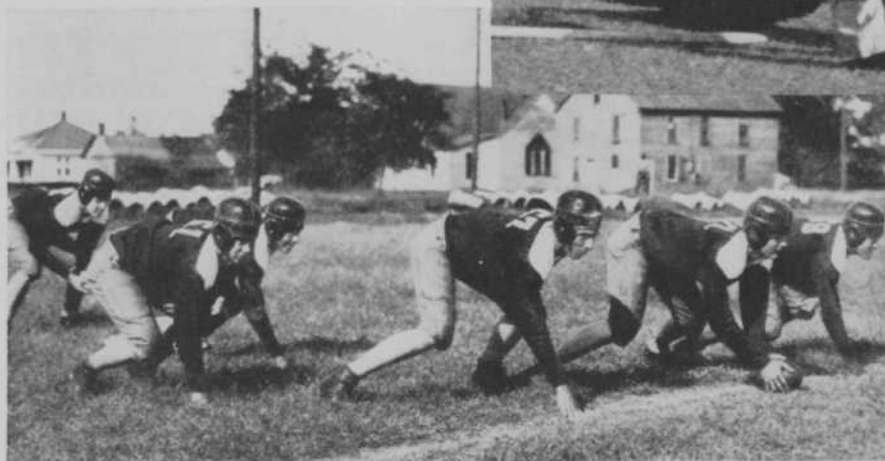
Farmer Jones knows that if he wants to talk over prices, crops and taxes with other farmers, he'll find them all in the grandstand. He notices, however, in the village stores before or after the game, that farmers are inclined to discuss line plunges, cross-bucks and spinners rather than fret about drought, prices or taxes. He finds it hard to get his own mind down to farming. He has a boy out there on the gridiron fighting for the home team.

Yes, "Saturday Night," that grand institution once dissipated by the motor car, has been returned to the small town. Pied Piper Football is leading farmers back to small-town buying.



JAM HANBY

A couple of co-eds inspire the rooting section. Parents are in the stands across the field



Single-wing to the right as exemplified in six-man football

New England Comes Back United

By OLIVER McKEE



The Council seeks action by bringing together groups that have common problems and the power to act

THE NEW ENGLAND Council will convene at Boston November 17 and 18 for the fourteenth New England Conference. By invitation of the six governors—three Democrats, and three Republicans—New England business leaders will meet again to promote coordination of efforts for the solution of economic problems common to the six states, and to advance the economic welfare and prosperity of New England.

In Yankeeeland, as elsewhere, the battle for economic betterment is a continuing one. Since its organization in 1925, the Council has held a front-line position in the fight along the Yankee sector. Through research, planning, and the merchandising of ideas, it has boosted New England's cash income and helped to increase the efficiency of its industries. It has done much to restore New Englanders' confidence in themselves and

their economic future. As a successful example of voluntary cooperation along regional lines, it has aroused widespread interest.

Why and how was the Council established? For an answer, we must turn back to the days when "the New England problem" furrowed many a Yankee brow with worry. Though American manufacturing was born in New England, and though the output of its products continued to increase, the industrial development and population growth of other sections progressively reduced the New England percentage of the nation's production of manufactured goods.

In 100 years, its share declined from 50 to less than ten per cent. The calamity howlers shouted that New England was slipping. Editorial writers joined the chorus and the passing of industrial New England pointed the text for many a funeral

SIX STATES, working together for the common good, demonstrate that the old adage, "In union there is strength," still holds good

sermon. All that was bad for morale and for business.

Something was wrong in New England. The doctors all agreed on this. A basic trouble was the New Englanders' failure to realize the significance of the changes wrought by the World War and its aftermath in our national economy, particularly the change from a seller's to a buyer's market. To head again for prosperity, New England needed three things:

First, to wipe out the spirit of defeatism.

Second, to understand better its own resources, its assets, and its relation to the rest of the country.

Third, to modernize its manufacturing, merchandising, and distributing technique.

Beginning the N. E. Council

THINKING New Englanders had long realized the need for regional action to meet the many common problems of the six states. Following an anonymous suggestion, the six governors in 1925 invited a group of business leaders to meet with them at the Poland Springs House, Maine. Ideas were swapped, and hearts unburdened. As a result, the governors appointed a committee of 18, three from each state, to create an organization to handle New England's regional problems.

In response to a call from the governors and the New England Joint Committee, 600 business leaders, representing 225 industrial, commercial and agricultural organizations, assembled at Worcester, November 11 and 12. They met to answer two questions:

First, did the New England states have certain economic problems in common? Second, was a permanent agency of cooperation needed?

Both questions received a quick and emphatic affirmative answer as the
(Continued on page 62)

United States Foreign Trade is Key to

BIG as the world is, it is sensitive to business conditions here. When our purchase of raw materials declines, business everywhere is affected and exports start to fall off

CORN may not be king, but it has at least become a prince of our foreign trade. Not since 1922 has corn assumed the rôle of a leading export, but in the first six months of 1938 only automobiles and cotton surpassed it in value as an export commodity.

Coming at a time of crop shortages abroad, our exports of various agricultural commodities have been the outstanding feature of our January to June, 1938, trade. Foreign demand this year was for feed grain to make up for short-



EWING GALLOWAY

Imports of newsprint and raw materials for paper making exceed all others

ages in other countries. Chief buyers were Canada, United Kingdom, Netherlands.

A World Trade Review* recently issued by the Chamber of Commerce of the United States calls particular attention to the shift in foreign trade commodities which made agricultural exports our chief mainstay of foreign commerce, whereas a year ago industrial exports were the main source of strength.

The four leading agricultural exports were raw cotton, \$119,000,000; corn, \$64,000,000;

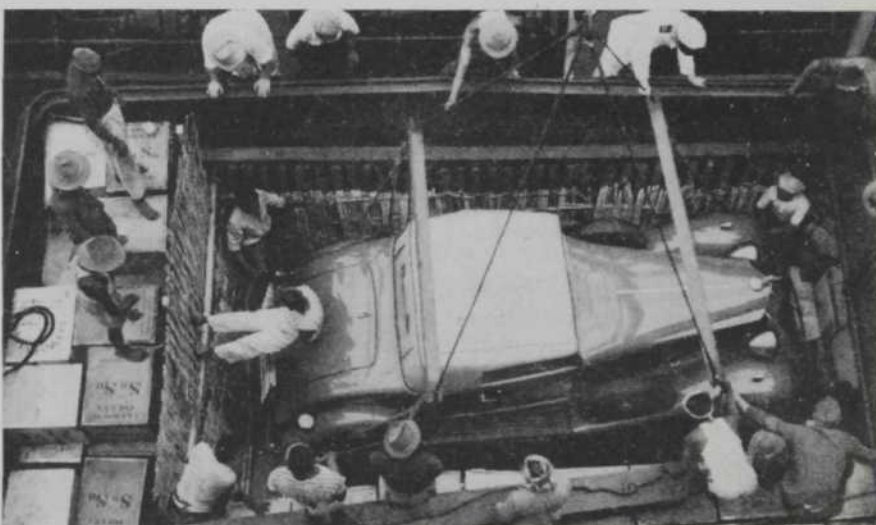


Fifty steam locomotives were shipped to other countries. These are going from the Baldwin Locomotive Works in Philadelphia to China



ELIZABETH R. HIBBS

The British Isles have been our most important customer since Colonial times. Their greatest demand is for our cotton, foodstuffs and tobacco



GENDREAU

Automobiles, parts and accessories are the leading export commodity. Leading customers for cars and trucks are South Africa, Argentina, Sweden, Australia

*Copy of booklet may be obtained by writing Foreign Commerce Dept., U. S. Chamber of Commerce, Washington, D. C.

World Conditions



EWING GALLOWAY

A leading import from Czechoslovakia is glassware. This glass works in Prague represents one of the Czechs' most important industries



ELIZABETH R. HIBBS

South America spent \$159,000,000 with us. In return we spent \$130,000,000 largely for raw materials like coffee and these lentils from Chile



EWING GALLOWAY

Raw cotton from United States in a Hamburg warehouse. Germany was our sixth best customer and cotton and petroleum products led the list



EWING GALLOWAY

Elevators did a big export business in shelled corn as well as wheat

wheat, \$51,000,000; leaf tobacco, \$51,000,000.

The first ten leading exports in value were automobiles, raw cotton, corn, crude petroleum, electrical machinery and apparatus, wheat, leaf tobacco, power-driven metal-working machinery, gasoline and other petroleum motor fuel, agricultural machinery and implements. Automobiles, parts and accessories, the leading export (\$156,000,000), accounted for ten per cent of the total value of exports, but the number of passenger cars shipped dropped from 124,000 to 93,000.

The five leading customers for American goods were United Kingdom (England, Scotland, Wales, North Ireland), Canada, Japan, France and Netherlands. Cotton was the principal export to all but Canada where automotive products took the lead.

The ten leading imports were cane sugar, coffee, crude rubber, newsprint, raw silk, wood pulp, tin, distilled liquors and furs. An interesting item on import commodities is paper. If the value of newsprint is added to that of wood pulp, pulp-wood and rags, all of which are used to make paper, the total would be more than \$82,000,000 and it would rank as the leading import of the United States. The principal supplier of newsprint is Canada, but Sweden gets the bulk of the wood pulp business.

The five countries selling the largest bill of goods to the United States were Canada, British Malaya, Japan, Philippine Islands and Cuba. Malaya's high rank is due largely to her rubber exports.

Although our export trade for this period remained above that of 1937 in both value and quantity, imports dropped so severely that our total of overseas commerce was one-fifth lower in value than a year ago. The slump in imports was largely due to reduced purchases of raw materials and semi-manufactures by American industries and to smaller imports of food-stuffs because drought conditions have given way to bountiful crops.

The German Bid for Self-Sufficiency

By HARRISON E. HOWE

CHANGES in diet, self-sacrifice and constant labor are a part of the people's contribution as the Government strives to develop "Ersatz" materials to replace imported materials

GERMANY, after the Treaty of Versailles, felt suppressed and deprived of resources with which to work out a new national economy. Many things were not to be found at home and foreign exchange was not available to pay for their importation. She set about, therefore, to find ways of gaining a degree of self-sufficiency that would make her largely independent. The extent to which she has achieved those objectives is an important consideration in the event of another European war. Activity in developing supplements and outright substitutes has become the order of the day.

This activity is "Ersatz." The word made its official appearance in the German Register of Ships when one was built to replace a vessel lost in the Battle of Jutland (1916). The entry read "Kaiser Friedrich Wilhelm, Ersatz." The development of "Ersatz" is an important part of the Second Four-Year Plan of Nazi Germany.

The success of this plan depends largely on applied science. Never before have we seen such a reliance on applied research to estab-



EWING GALLOWAY

Even the building industry demonstrates ability to use substitutes. This building is constructed entirely of metal and glass



ACMG

A German labor corps reports for work. All able to work have jobs. Strikes and lockouts are prohibited and wages stabilized



BLACK STAR

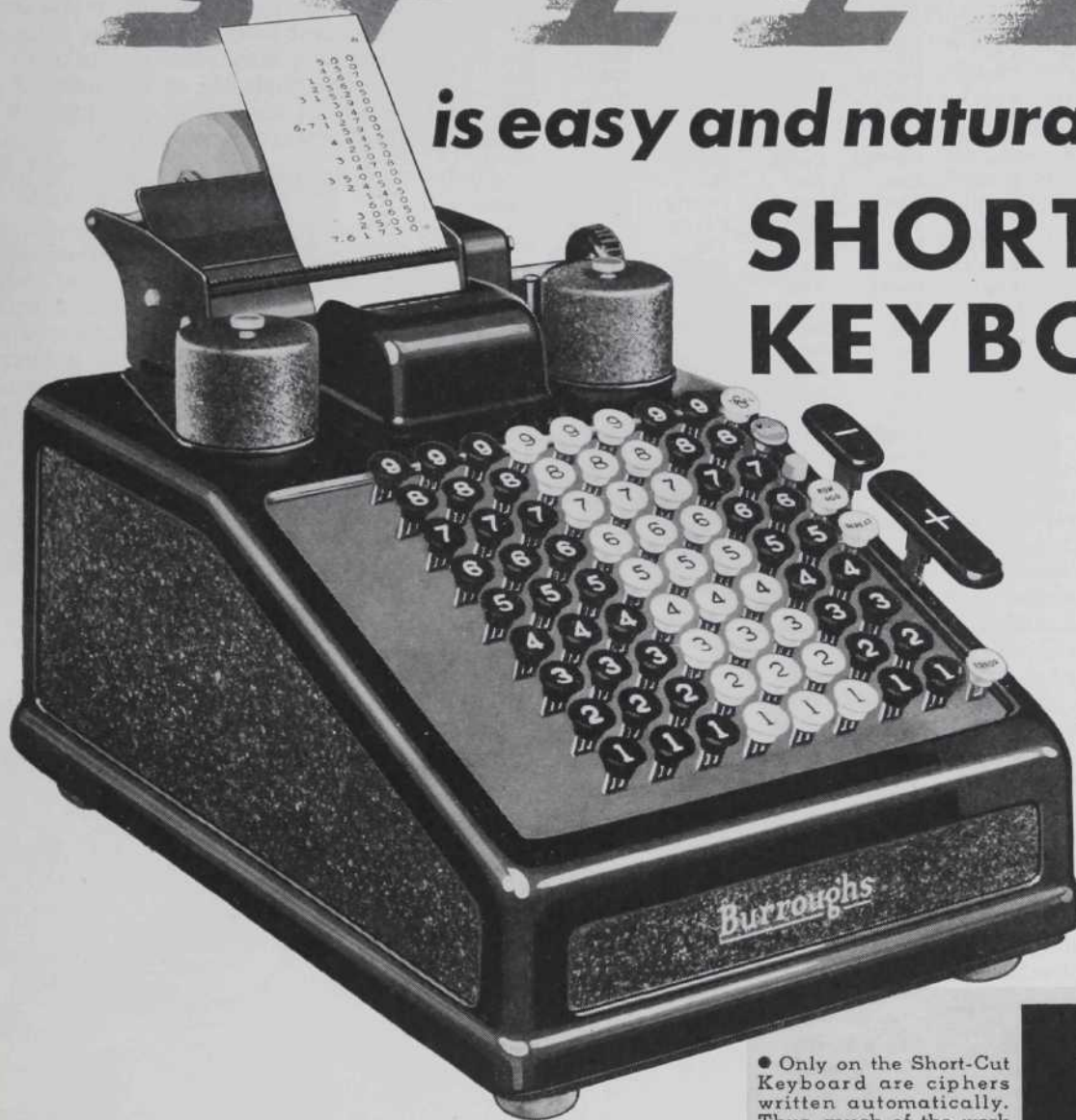
This youngster has just worked up a lather with a cake of soap which was originally coal

Burroughs

SPEED

is easy and natural on the

SHORT-CUT KEYBOARD



It's easy to add fast and accurately on a Burroughs because the Short-Cut Keyboard eliminates all needless operations.

Let the Burroughs representative show you how much time and effort the Short-Cut method can save you on *your* work. Call the local Burroughs office today.

● Only on the Short-Cut Keyboard are ciphers written automatically. Thus, much of the work is done without touching a key.

● Only on the Short-Cut Keyboard can two or more keys be depressed at one time. This saves many needless operations.

● Only on the Short-Cut Keyboard can an entire amount and the motor bar be depressed together, thus listing and adding amount in one operation.

**ALL CIPHERS
ARE
AUTOMATIC**

**SEVERAL KEYS
CAN BE DEPRESSED
AT ONE TIME**

**ENTIRE AMOUNTS
CAN BE WRITTEN
IN ONE OPERATION**

**BURROUGHS ADDING MACHINE COMPANY
DETROIT, MICHIGAN**

lish and maintain a national policy.

Nazi Government hardly expects even greater Germany to become wholly independent. There is nothing to indicate that any one nation can do that.

Ernst Berl, of Carnegie Institute of Technology, has prepared a table indicating the status of a number of the major powers as regards to important raw materials (*Chemical & Metallurgical Engineering*, Vol. 45, No. 7, page 365, July, 1938):

problem though it should be pointed out that many of the best minds identified with scientific progress have been banished from Germany.

In 1937 a new official agency called the Reich Research Council was established to coordinate and supervise all research. Duplication of effort was to be avoided and forces concentrated upon those undertakings judged most important to the Four-Year Plan. This regimentation has not yet dictated what methods researchers shall adopt

but it does specify what shall be accomplished.

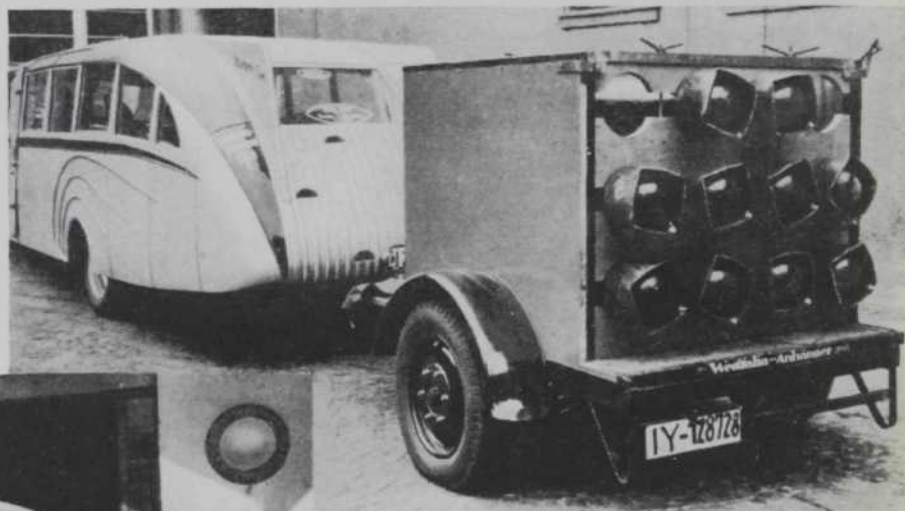
The problem is broken down into its component parts and these are assigned to centers believed most capable of reaching the solution. In time this procedure seems certain to produce a marked change in research as heretofore known in Germany. Tedious, patient research over long periods, supported and encouraged by industry with a view to adding fundamental knowledge and perhaps in time yielding important results, has been superseded by feverish activity with immediate results paramount. While vitally important to the Four-Year Plan, this procedure may some day take its toll through depletion of the store of fundamental knowledge on which all applied research must depend.

Many synthetics are made

IGNORING economics, however, accomplishments indicate what can be achieved in synthesizing substitutes. It is not necessary to recount what has been done in the coal tar industry—development of synthetic dyestuffs, medicinals, perfumes and flavors—but that story illustrates the possibilities. We can go back a few decades, also, and remind ourselves of the fixed nitrogen industry, perhaps the first all-important German victory over imported raw materials. In that case the work of Haber not only freed Germany and her allies from dependence on

	United States	Great Britain	U. S. S. R.	France	Germany	Italy	Japan
Rubber	Partly	Yes	No	Partly	No	No	No
Nickel	Yes	Yes	Partly	Partly	No	No	No
Chromite	Partly	Yes	Yes	Yes	No	No	Yes
Tungsten	Yes	Yes	Partly	Partly	No	No	Yes
Antimony	Partly	Partly	No	Yes	No	Partly	Partly
Tin	Partly	Yes	Partly	Partly	No	No	Partly
Mercury	Yes	No	Yes	No	No	Yes	Partly
Phosphates	Yes	Partly	Yes	Partly	Partly	No	Partly
Wool	Yes	Yes	Yes	Partly	Partly	Partly	No
Potash	Yes	Partly	Yes	Yes	Yes	Partly	Partly
Mica	Yes	Yes	Yes	Partly	No	No	Yes
Aluminum	Yes	Yes	Partly	Yes	Partly	Yes	No
Cotton	Yes	Partly	Yes	Partly	No	No	Partly
Lead	Yes	Yes	Yes	Partly	Partly	Yes	Partly
Copper	Yes	Yes	Yes	Partly	Partly	Partly	Yes
Oil	Yes	Partly	Yes	Partly	Partly	No	Partly
Manganese	Yes	Yes	Yes	Partly	Partly	Partly	Partly
Zinc	Yes	Yes	Yes	Partly	Partly	Yes	Partly
Sulfur	Yes	Partly	Yes	Partly	Partly	Yes	Yes
Nitrates	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Iron Ore	Yes	Yes	Yes	Yes	Partly	Yes	Partly
Coal	Yes	Yes	Yes	Yes	Yes	No	Partly
SUMMARY							
Sufficient Production	18	15	16	7	3	7	6
Insufficient Production	4	6	4	14	10	5	12
No Production	1	2	1	9	10	4

This table indicates the situation when Germany undertook her present program. The absorption of Austria changed this slightly, because, in addition to a sizable gold reserve, Austria had some deposits of iron ore much richer than those in Germany, important forests, and water power. The acquisition of Sudetenland will change it even more. The prowess of both German and Austrian scientists leaves no doubt that brain power is available for application to this



Solving the petroleum problem. This bus carries its fuel supply—compressed gas—in cylinders on the trailer



This truck gets its power from the wood-burning furnace on its side. This particular truck was built in Italy

"Gee," said the foreman, "a big bondholder, huh?"

THE KIDDING BEGAN at lunch time...

Somebody mentioned the new office building at the corner of Walnut and Main. Joe said, "I have an interest in that building."

The boys egged him on—and Joe admitted that he also had an interest in the transportation company, the electric light company, the department store, and in some city and farm real estate.

"Gee," said the foreman in mock admiration, "a big bondholder, huh?"

"Yep," said Joe, "and so are a lot of you guys."

"How d'do, Mr. Bigshot," said one. "Pardon my glove," said another, "I'm Mr. Moneybags."

But Joe was right, for Joe has a life insurance policy in Metropolitan. Part of the money he and other Metropolitan policyholders pay as premiums is set aside as a reserve and put to work helping to finance homes, farms, office buildings, utilities, and other business enterprises that help make work and jobs all over the United States and Canada.

And Joe, like all Metropolitan policyholders, has an interest in all the investments the Company makes. While the Metropolitan does not operate or control the enterprises underlying these investments, it is very reassuring to Joe to know that the Company's long years of experience and its staff of experts safeguard the selection of every investment.

Joe is vitally concerned with the success of these investments because they help guarantee that his life insurance policy, as well as every other policy, will be paid when due.

COPYRIGHT 1938—METROPOLITAN LIFE INSURANCE CO.

This is Number 7 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements will be sent upon request.

**Metropolitan Life
Insurance Company**
(A MUTUAL COMPANY)

Frederick H. Ecker,
CHAIRMAN OF THE BOARD

Leroy A. Lincoln,
PRESIDENT

1 Madison Avenue, New York, N. Y.



Chilean nitrate during the World War but, in various modifications, has made all the great powers independent in this resource.

One of the most interesting products resulting from the search for substitutes is motor fuel. Germany was ambitious to develop a domestic source of motor fuel long before the Four-Year Plan was formulated. Early in the century, Friedrich Bergius began experiments to this end. Later his work won for Bergius the Nobel Prize. Today at the great Leunawerke of the I.G., more than 1,000 metric tons of light motor fuel are produced each day from brown coal which is strip-mined near by. (A metric ton is 2,204.62 pounds.) Three large new plants were brought into production in 1937 and ten smaller ones were built.

Benzol has been used in increasing amounts in motor fuel, and the Fischer-Tropsch process has gained

Automobiles, tractors and other internal combustion motors operate also on compressed gas and some carry their own gas producers fed with pellets of compressed coal, charcoal, or similar fuel. The use of compressed gas as motor fuel seems to be increasing and it is not uncommon for buses and trucks to carry steel cylinders of such gases on trailers. It is estimated that more than 25,000 German motor vehicles now use 250,000 cylinders as storage tanks for compressed gas. There is a system of filling stations where fresh supplies can be obtained though, in addition to refilling the cylinder, the empty one can be removed and a full cylinder put into place.

Substitutes for gasoline

EMPTY cylinders weigh about 115 pounds. When filled with propane-butane gas at 150 pounds pressure per

methane, and 225 on the propane-butane mixture.

Germany also has some 2,200 wood burning vehicles and 1,000 filling stations where wood may be purchased. The mileage possible with one gallon of gasoline can be obtained with 25 pounds of wood which costs 16 cents. It is sold in packages of from 30 to 60 pounds and use encouraged by levying no tax on wood as a fuel, halving the tax rate on wood burning vehicles, and providing a government subsidy for conversion of gasoline burning vehicles to use wood.

While these substitute fuels may be satisfactory in normal times, there is no indication that they would be sufficient in wartime emergencies. The weight of cylinders, the low efficiency of gas, the necessity for using alcohol in the manufacture of munitions are definite limitations.

Still more important is the fact that, to the best of our knowledge, the 100-octane motor fuel, so important to long flights and the carrying of heavy loads by air, is not available in Germany.

Preparedness and National Economy

HOW INTENSIVE PREPAREDNESS affects a national economy is indicated by measures effective in Germany. As reported by Associated Press Dispatches, the Government:

Ordered gasoline filling stations to put aside special reserve supplies—proprietors not being permitted to disclose reserve quantities;

Requisitioned trucks, vans and buses for military purposes;

Asked the population to eat tomatoes instead of fruit, which apparently is needed for preserving;

Asked the people to eat more rye and less wheat;

Started storing grain in such quantities that a decree enabling the government to requisition storage space became necessary;

Obligated mills to keep on hand at their own expense and lay aside subject to government call one-sixth more wheat and rye than they normally grind;

Decreed dealers in oats must regularly offer up to the Army commissary department 60 per cent of oats bought up during a month;

Sent thousands of labor conscripts to the western frontier to construct a German antidote to France's Maginot line fortifications;

Enjoined women to get back into business and industry to fill places vacated by men drafted for the current military maneuvers.

greatly in popularity and importance. This process also depends on coal to form a synthetic crude oil from which motor fuels can be distilled. By-products are lubricating oils and paraffin of which we shall speak later.

Ethyl alcohol has been used to blend with these synthetic fuels though the amount has declined lately because raw materials required for alcohol production are also needed for stock feeds or even foodstuffs.

square inch the weight becomes 215 pounds. The 100 pounds of compressed gas equals about 18 gallons of gasoline. Compressed methane is also used, but at a pressure of 3,000 pounds a square inch. The cylinder then weighs 155 pounds and the 28 pounds of compressed methane does work equivalent to that from 4.6 gallons of gasoline. Compressed city gas or gas manufactured from coal is also used. With two tanks, a vehicle can travel about 25 miles on the city gas, 85 on

Synthetic fats are used

SYNTHETIC paraffin has been mentioned as important. This is because of its place in the fatty acid problem. Fats, so vital in the World War that their scarcity contributed to Germany's defeat, are still important in maintaining the human organism. They are sought on every hand. The soap industry requires substitutes for vegetable oils now utilized for food and uses oil produced from rapeseed and quantities of liquid rosin. Whale oil is also in demand, though it is more and more used in manufacture of margarine—the substitute for butter. A so-called sulfite soap is made from waste liquor of the pulp and paper industry.

Paraffin is cracked and oxidized to a fatty acid from which a soap can be made. Commercial operations began late in 1937 and, with additional plants this year, it is expected that at least 25 per cent of the soap industry's annual requirements can be supplied in this manner. Such soap cleanses, but leaves behind the fragrance of petroleum.

Who first synthesized a rubber-like plastic is still debated, though the honor probably belongs to an English chemist. Certain types of such plastics were used in Germany during the World War, but the first material of this kind actually available commercially seems to have resulted from American genius and enterprise. Results in the U.S.S.R. and in Germany have caused excitement but, until 1938, it was almost impossible to ob-

(Continued on page 57)

R. J. REYNOLDS TOBACCO COMPANY APPLIES COMPTOMETER ECONOMY



Model K Electric Comptometer in Reynolds' Leaf Department

The tobacco industry is something more than lush fields of gold-leafed "weeds," raucous auctioneers, warehouses, machinery, and smart merchandising. There are *figures* to be considered . . . figures on costs, production, sales, distribution and other involved accounting work.

The R. J. Reynolds Tobacco Company of Winston-Salem, North Carolina, makes the largest selling brand of cigarettes in the world. Figures on Camel Cigarettes are impressive—and so are the savings effected through the use of Comptometers at Reynolds' home office.

A number of years ago it was decided to try the Comptometer on billing work. The results were highly satisfactory. Not only was the work done faster and with greater accuracy, but *savings effected during the first six months alone were more than sufficient to pay for the machines.*

As further evidence of Comptometer speed, accuracy and economy, this equipment has since been applied to other phases of this great Company's figure work and the results have been most gratifying.



This comely inspectress sees that no loosely packed Camels get by. The Controlled-Key, exclusive feature of both Standard and Electrical Comptometers, sees that no inaccurate or fumbled key-strokes get by.



3500 to 4500 invoices each day are handled by these trained Comptometer operators at the R. J. Reynolds Billing Department. Latest Electrical Model K Comptometers are used.

Thus another great leader in American Industry applies Comptometer methods and Comptometer economy. Are you overlooking potential savings in the handling of your firm's figure work?

A representative will gladly demonstrate (in your office, on your job) how Comptometer methods solve the toughest figure-work problems.

Telephone your local Comptometer office, or write direct to Felt & Tarrant Mfg. Co., 1712 North Paulina St., Chicago, Ill.

COMPTOMETER

Reg. U. S. Pat. Off.

No Business Can Escape Change

Business continually makes new products better to serve its customers everywhere

1 • A NEW floor wax is not slippery, yet has a tough, floor-protecting film, adds safety alike to home and public buildings. It is easily applied, acquires a gloss without rubbing.

2 • A PROTECTIVE skin cream for workers handling paints, lacquers, inks, greases, solvents, lime, acids and other materials is easily applied, gives good protection to the hands, and easily washes off in water leaving the hands clean.

3 • A TEMPORARY protective coating for a wide range of products from white shoes to enamels and polished metal surfaces can be applied by dipping, spraying or brushing. It dries forming an insoluble, tough, elastic skin which can be easily peeled off in one piece without tools or solvents.

4 • A NEW disinfectant with a pleasing odor is said to be powerful, yet non-poisonous, non-corrosive, and non-caustic. Used as a cleanser and deodorant, it is mixed in water, with which it forms a snow-white emulsion that will not separate on standing.

5 • LIGHTS that may be used to outline an airplane runway or for similar uses project not more than two inches above grade level, are strong enough so that planes may land on them or taxi over them. The light beam is concentrated in the useful zone.

6 • A NEW thickness gage makes possible accurate measurement of non-magnetic coatings on iron or steel, whether the surface is curved or plane. Paper, celluloid, etc. may be measured by backing with iron or steel.

7 • A BACTERICIDAL agent with a more active form of available chlorine gives faster sterilization of food processing equipment. It's a powder, completely soluble, which leaves no residues, is applied by spray, circulation, or immersion.

8 • FLEXIBLE shellac, also casein, is now available in a resin which dries to a glossy adhesive film, water-soluble but not affected by hydrocarbons. They may be used for special adhesives, polishes, sizings, and for finishing various materials.

9 • A NOVEL tool for electricians, mechanics, and others is a screw-driver that has a jack-knife in the handle. In one model the knife may be removed and used as a separate tool.

10 • ELECTROLYSIS of underground pipe lines, cables, etc., is prevented by a small d.c. voltage available through a transformer-rectifier combination that requires no attention beyond a seasonal check of output.

11 • AN ELECTRIC extension cord just developed is coiled in such a way that it stretches when required, then recoils to take up the slack. It is particularly intended for electric irons, soldering irons and can be used for many other accessories.

12 • AN OVERSIZE vacuum cleaner for shop use has a vacuum of 35 inches, picks up metal chips; in reverse makes a strong blower.

13 • A SYPHON for emptying acid carboys and the like safely offers easy operation, easy control, and is adapted to fit any size opening on carboys, drums, barrels.

14 • A FLASHLIGHT with its own spring-operated electric generator is wound up as simply as a watch. It is not affected by heat or cold, has no batteries to run down.

15 • MARGIN stops are set automatically on a new typewriter. Tabulator stops and other operating controls are operated from the keyboard.

16 • A NEW line of industrial finishes provides a glossy water-white film which adheres successfully on bare, non-ferrous metals. They are non-yellowing, show exceptional durability, may be applied by brush, dip, or spray.

17 • A ROAD divider using no more space than white center lines is now made from spring steel center guard rails on steel posts; hub high it keeps oncoming traffic separated.



25 • A GLASS tea kettle with complete visibility is easy to clean, can be used for stewing fruits and vegetables, and is suitable for table service. It is wide-mouthed, has a replacement offer.

18 • THE key hole is easy to find at night when a new door knob with concealed electric light is used. Pressing a button on the knob lights the hole.

19 • A NEW oil of exceptional penetrating quality is said to make possible the loosening of "frozen" nuts in short time.

20 • A NOVEL hood for milk bottles has an aluminum band-seal and a transparent window through which the regular paper plug is visible. It protects the bottle lip, saves printing and embossing the metal hood.

21 • A NOVEL costume bracelet cast from colored plastics has small receptacles for powder puffs, rouge, mirror, face powder, and lip rouge.

22 • A NOVEL tire tread has heavy longitudinal ribs but soft gum transverse strips. The combination gives more flexibility and excellent road grip and the wearing out of the white strips shows the tire's wear has approached dangerously near the fabric.

23 • A NEW tool to lay paint stripes is held like a fountain pen, lays single, double or triple lines of differing widths and intervals. No compressed air is required.

24 • FOR the hard-to-heat room with a hot-air register there is now a special fan which draws out the warm air and distributes it evenly.

—WILLARD L. HAMMER

EDITOR'S NOTE—This material is gathered from the many sources to which NATION'S BUSINESS has access and from the flow of business news into our offices in Washington. Further information on any of these items can be had by writing us.

"For the First Time I was Ashamed of my Home."

THE NIGHT THE GRAHAMS GAVE A PARTY

THIS OLD GRAHAM HOME COULD BE MADE SO ATTRACTIVE.

YOU KNOW NED AND NELL. WHAT WAS GOOD ENOUGH FOR GRAND-DAD IS GOOD ENOUGH FOR THEM.

DARLING! I'M SO GLAD TO SEE YOU.

LATER—JUST WHEN THE PARTY WAS GETTING GOOD THE LIGHTS WENT OUT

NELL, WHERE ARE THOSE FUSES?

I'LL HAVE TO GO. NED NEVER FINDS ANYTHING.

LET'S ALL GO.

WE'LL COME DOWN AND HELP.

I NEVER CAN SEE WHICH FUSE IS BLOWN.

THE LIGHTS ARE OUT DOWN HERE TOO.

DON'T YOU FOLKS COME DOWN. YOU'LL FALL. NED DID THE LAST TIME THE FUSE BLEW—

WHY DO YOU FOLKS PUT UP WITH ALL THIS TROUBLE?

DO BE CAREFUL, NED, DON'T TOUCH THAT WIRE

SAY! COME OVER TO MY PLACE. I WANT TO SHOW YOU HOW WE LICKED THAT PROBLEM.

LET'S! I'VE BEEN DYING TO SEE YOUR HOME SINCE YOU 'MODERNIZED'

...RIGHT HERE IN THE KITCHEN WALL. THEY CALL IT THE CUTLER-HAMMER MULTI-BREAKER. WHEN LIGHTS GO OUT, ALL YOU HAVE TO DO IS PUSH UP THE LEVER.

WE ARE ALSO PUTTING THE MULTI-BREAKER IN OUR NEW HOME. THE ARCHITECT RECOMMENDS IT HIGHLY. HE SAYS ALL THE BETTER HOMES ARE PUTTING IT IN.

NED, FOR THE FIRST TIME, I'M ASHAMED OF MY HOME.

I'M GOING TO HAVE ONE OF THOSE PUT IN OUR HOUSE RIGHT AWAY, NELL.

new or old. No fuses to hunt. No stumbling down dark stairs. When lights go out, you simply reset the toggle . . . and service is immediately restored. Nothing to change. Nothing to replace. Nothing to get out of order. The Cutler-Hammer Multi-Breaker forever ends the nuisance of blown fuses.

Electricians, architects, power companies—all who have the safety and convenience of home owners at heart recommend the Cutler-Hammer Multi-Breaker. Small in size, the Cutler-Hammer Multi-Breaker mounts flush into the wall,

or on the surface. Its cost is small—nothing at all compared to your convenience and safety and the time and trouble it saves. Any reliable electrical contractor will install it for you. Ask him for a genuine Cutler-Hammer Multi-Breaker. CUTLER-HAMMER, Inc., Pioneer Electrical Manufacturers, 1251 St. Paul Ave., Milwaukee, Wis.

THE CUTLER-HAMMER MULTI-BREAKER

Modern Electrical Protection . . . Restores service at the push of a finger . . . Ends the "blown-fuse" nuisance . . . Brings new convenience, comfort and peace of mind. An important step in home modernization

Installed in the kitchen or in any other convenient location, easy to find in the dark as your light button, and as easy to operate, the Cutler-Hammer Multi-Breaker brings modern electrical protection to any home . . .



CUTLER-HAMMER
MULTI-BREAKER

Business Men Say . . .



FRANK J. TAYLOR, President
American Merchant Marine Institute, Inc.

"However stable government policy may be, and even with satisfactory solutions of the labor and other problems of industry, there remains one factor essential to the success of any industry, namely, the factor of effective leadership. This factor can never be supplied by government however efficient and effective its support and guidance of industry can be. It is a factor which can only be supplied by private enterprise operating under conditions of relative individual freedom. The greatest prospect for economic progress lies in the free action of far-seeing executives."



CARLE C. CONWAY, Chairman,
Continental Can Company

"We are in a great trial and error period in the world's history. But to a greater or lesser extent this has always been so and always will be so. . . . We long for the peace and quiet of the old days and at the same time we move farther away from them by improving our business methods each year. Business all over the world is facing problems never dreamed of 20 years ago, but I believe business is solving its problems. . . . I believe that in this country the punitive curtain is falling and the cooperative curtain is rising."



INTERNATIONAL



LOWE

FRED H. CLAUSEN, President, Van Brunt Manufacturing Company;
Chairman, Federal Finance Committee, U. S. Chamber of Commerce

"The policy of spending government money primarily for the purpose of stimulating business activity should be abandoned. Until effective debt retirement is provided, the establishment of additional spending agencies or new forms of expenditures should be avoided. Individuals and groups within and without the Government should refrain from exerting pressure to obtain appropriations of a special-interest nature."

CARROLL B. HUNTRESS, Eastern Sales Manager
Republic Coal & Coke Company

"The federal power program jeopardizes the jobs of close to 150,000 miners and railroad men, who, whether or not all prefer our form of government, do want to continue in the mining of coal and in railroad work. The employment of countless others is hazarded by the vicious circle of the power program. Conservatively, close to 1,000,000 people would be added to the relief rolls, in itself an ominous development, politically speaking, to say nothing of the dislocation of other industries and the destruction of revenue sources to the extent of millions of dollars. And the present federal Government proposes to spend over \$1,000,000,000 on a power program that would accomplish that very purpose."

Heard in the Market Place . . .

War on Whiskers

THERE has been a great stir about electric shavers centering around Schick's announcement of a price reduction from \$15 to \$12.50. Progress Corporation cut on Packard Lektro from \$15 to \$7.50.

The dry shaver ring is full of hats these



days. Remington-Rand, which for some time has had a \$15 unit, recently brought out a companion to sell at \$9.50. Most sensational in the shaver scramble is the offering by Gimbel's in New York of a private brand at \$1.98. Macy's has its own at \$6.49.

Other well known manufacturers who have been attracted to this field include Chicago Flexible Shaft Company, Art-Metal Works and Ingersoll-Waterbury. This year has seen from 15 to 20 new entries. Among the latest is Gem-lectric, product of American Safety Razor Corporation. Knapp-Monarch Company is preparing to spring a new shaver to be priced at \$10 and promoted through trade papers in the drug, electrical appliance and jewelry fields. Advance claims herald distinctive features.

Gillette is reported to have an electric in the offing. Just now this company is pushing a new brushless shaving cream as a premium with safety razor blades.

Harry Varley, president of the Schick Corporation, repudiated talk of a price war, said that as far as his company, the shaver pioneer, was concerned the price reduction was merely carrying out its original plan to reach a mass market.

Since at least two of the safety razor makers are climbing on the electric band wagon, what does this mean to manufacturers of standard shaving preparations? Some of them are saying privately that the future doesn't look very bright. Others point out that sales of shaving cream and soap are not decreasing, that 20 per cent of American homes are not wired for electricity and many of those that are have no socket connections convenient for shaving.

Pinaud is marketing a lotion to be used before and after dry shaving. The real blow to all razor and shave cream men as envisaged by an imaginative advertising man, will be the invention some day of a depilatory that will rub off whiskers

IN EVERY BUSINESS keen minds are working tirelessly to find the answers to two questions: "What can we produce that people want?" and "How can we best induce them to buy it?" Finding those answers and adjusting market strategy to what others are doing become then, the substance of merchandising.

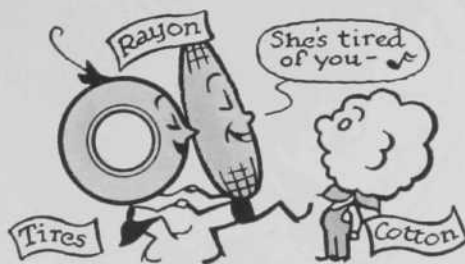
Here are a few happenings and trends that are the talk just now in the marts of trade. Since the business man looking for ideas on marketing often finds the most suggestive stimulation in other fields than his own, the significance of these items may extend far beyond the boundaries of the industries directly affected.

permanently without injuring the skin. But might not a race of smooth-faced men be easy pickings for an invasion by some modern Genghis Khan?

Tire Mileage Stretched Again

INCREASED USE of rayon in cord tires causes the rayon industry to appraise what may be an important new market, while cotton men view with alarm the loss of a customer who has been buying at the rate of 283,000,000 pounds a year. Rayon cord truck tires have been made for some time; now Goodyear and U. S. Rubber are leading in extending its use to passenger vehicle tires. They say rayon generates less heat, is tougher and stands more abuse. Mileage 50 per cent higher is claimed. The price in one sample size is \$31.65 compared with \$22.30 for cotton cord.

The tire market has been narrowed steadily by an astonishing improvement



in durability of the product during recent years. This fact, added to the automobile's approach to a static production level, has brought a decline in volume of tire sales.

Sponge Rubber

AMERICANS may soon be sleeping and sitting on sponge rubber instead of metal springs. Its use in mattresses and upholstery is said to be a practical reality. Thus does relaxation attempt to keep step with innumerable new activities devised for the human species. Another new use for sponge rubber said to offer great possibilities for expansion is in the making of auto seats.

The Federal Trade Commission has

been investigating the claims of Climax "antiseptic, non-irritating, deodorizing and anti-acid" rubber goods. It is skeptical about the possession of these desirable qualities. The Climax people refer critics to Macy's Bureau of Standards, with which they have been collaborating in research. Macy's are exclusive distribu-



tors for Climax products in the New York Metropolitan area.

HIGHLIGHT from the distribution conferences at the International Management Congress: To indict business on the score of an increase in its distribution cost is a fallacy. The real criterion is cost of goods to consumers, and it is steadily decreasing. If there is an increase in the ratio of distribution costs to total costs, the difference is coming out of the normal profits of business.

TOBACCO retailers in New York City have absorbed the city sales tax on cigarettes to meet suburban competition. They complain that their profit margin is disappearing.

MARY PICKFORD is calling on her old screen following to buy her new beauty preparations. Pickford Cosmetics will spend \$100,000 in advertising for the first three months of an opening drive.

THE Du Pont Company is perfecting an artificial silk. Not another rayon, which once went by that designation, but a fabric reported to possess most of the properties of real silk. Such a development would be highly interesting, not only to competing textile industries but also to those that now sell to the Japanese.

—FRED DEARMOND

Can You



Guess...

**what it costs to advertise all
these housefurnishings
to a Post family?**

SUPPOSE you were asked to advertise vacuum cleaners, refrigerators, floor coverings, fans, floor wax, mattresses and a long list of household furnishings to a single substantial family in the United States.

How much money would you want to do it?

If you were offered $1\frac{1}{3}\text{¢}$ a week, would you take the job?

Last year The Saturday Evening Post did. The total cost of *all* household goods advertising, in *all* 52 issues of the Post, amounted to only about $1\frac{1}{3}\text{¢}$ a week per Post family.

And last year, U. S. housefurnishing advertisers invested more of their advertising dollars in the Post than in any other magazine in the world.

$1\frac{1}{3}\text{¢}$ is a pretty trifling sum when you consider how many things a Post family buys for the home in the course of a year.

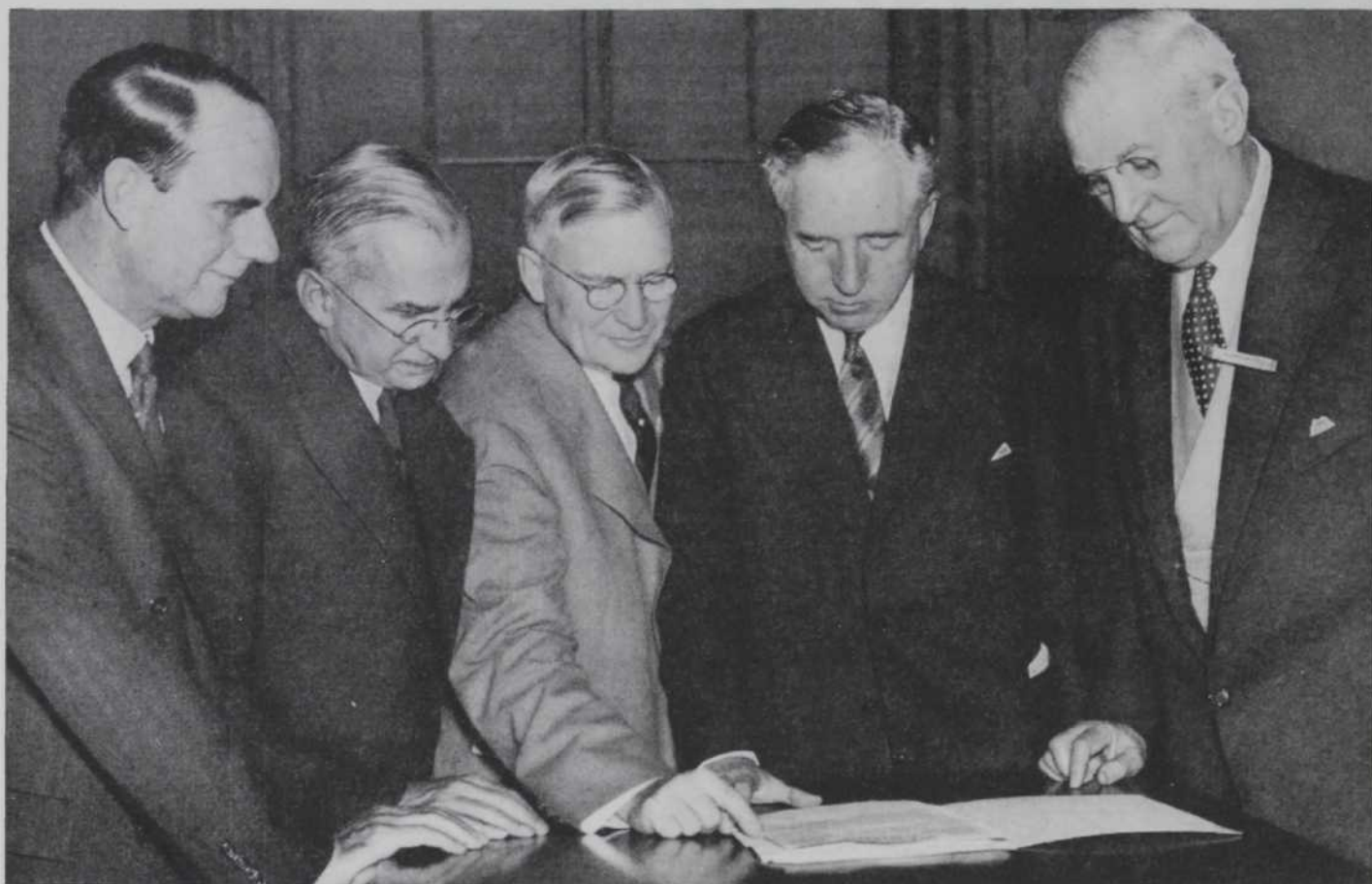


THE SATURDAY EVENING POST

MORE THAN 3,000,000 COPIES WEEKLY... ALL BOUGHT AT FULL PRICE

Management Seeks the Golden Mean

By FRED DE ARMOND



William L. Batt, new President; George S. Messersmith, Assistant Secretary of State; President Davis of the U. S. Chamber; Viscount Leverhulme, retiring President; and Willis H. Booth, honorary chairman of the Congress, discuss the program before the first meeting

UNDERWOOD & UNDERWOOD

WHITE haired, ruddy and rotund William Allen White, editor of the Emporia, Kan., *Gazette* and universally known for his middle-of-the-road, Main Street Americanism, raised his voice until it thundered with solemn conviction.

This is a middle class country, and the middle class will have its will and way. For the middle class is the real owner of American industry. The middle class is 80 per cent worker and the consumer of 80 per cent of the American industrial production in the home market. . . . Class-conscious labor should know that the same patriotic indignation which turned upon a class-conscious plutocracy and wrecked its power will turn upon a class-conscious proletariat and deny its aims.

The place was the great hall of the U. S. Chamber of Commerce in Washington, the occasion the recent sev-

INTERNATIONAL Management Congress in Washington is notable for the calm effort to reconcile extreme viewpoints and self-analysis of participants

enth International Management Congress. In his speech, the philosopher from Emporia sounded an overtone heard repeatedly throughout the five days of the Congress—an effort to reconcile conflicting world economic forces that are pulling in opposite directions.

From the same platform a few minutes ahead of Mr. White, a spokesman for organized labor, Robert J. Watt, American workers' delegate to the International Labor Office, had hurled labor's demand that it be recognized as "the partner of capital in production, the customer of capital in

distribution, the majority voice in a political democracy and the substantial center of our community life."

As the voice of the general public on a three-way program—labor, capital and public—Editor White met this viewpoint by denying rather emphatically the legitimacy of at least the political demand.

Nearly 2,000 business executives, economists, engineers and others gathered in Washington to review the latest findings of science in management. Of this number, 320 came from 23 foreign countries. Representatives of the totalitarian states sat down in



In buying fire and casualty insurance, let this seal be your guide to security, service and savings. It identifies a member company of the American Mutual Alliance, comprised of one hundred selected companies whose record of success is unusually outstanding—the leaders in their field! These companies have an average age of over 49 years. Their assets total more than Two Hundred Million

Dollars. In the last ten years alone, these Mutual companies have returned more than two hundred and eighty-two million dollars as savings to their policyholders. This is in addition to thorough protection, helpful service and a record of prompt payment of losses. So that when you choose a company using this seal, you have ample assurance of soundness, stability and economy.

THE AMERICAN MUTUAL ALLIANCE

919 North Michigan Avenue, Chicago, Illinois

THE NATIONAL ASSOCIATION OF
MUTUAL CASUALTY COMPANIES

THE FEDERATION OF MUTUAL
FIRE INSURANCE COMPANIES

amity with those from the free states. Europeans and North and South Americans shared "the experience of each for the service of all" and found a surprising number of common problems. "A solidarity of human interests" is the way M. Brulé of France put it.

A conception of management's first problem as one of balancing, phrased by Clarence Francis, president of General Foods Corporation, provided a thread that ran through most of the deliberations. The manager fits specialists and specialized facts into their proper place in the whole. Conclusions necessarily are more balanced than can be expected of men who do not have the job of making decisions and acting upon them.

Broad field of management

FIRST of these congresses to be held in the United States, it was also the first to include in its agenda the broader social interests of management, such as its relationship with politics. Thinking was almost entirely free of emotionalism. A spirit of compromise was evident—a tolerant groping for a golden mean between unrestricted individualism and goose-stepping regulation.

The tenor of many of the addresses evinced a growing sense of management's responsibility. The absolute dependence of society upon good administration was recognized. This trusteeship was put into a creed of management by Lewis H. Brown, presi-

dent of the Johns-Manville Corporation, and spokesman for capital on the labor-capital-public program. Two items of his creed illustrate the whole:

That it is management's duty to be alert to its own shortcomings, to the need for improvement, and to new requirements of society.

That business in this country has never been what it could be, and never what it yet will be.



Harry Arthur Hopf, absent from the Congress because of illness, was awarded the gold medal which the International Committee of Scientific Management awards at each session for distinguished service. The award recognized his service, not only in the original formation of the Committee but in bringing this year's meeting to the United States

From beleaguered little Czechoslovakia came one of the clearest notes on the world-wide trend toward government omnipotence in industry. Dr. A. Basch, general manager of the United Chemical and Metallurgical Works at Prague, told the delegates that government social policy, by stressing redistribution of income rather than the need for increased production, is preventing the attainment of its own objective—a higher standard of living—and is actually causing lowered standards.

Encourage initiative

TO speakers like A. W. Robertson, president of the Westinghouse Electric and Manufacturing Company, this forcing all men to be equal by restraining the strong and assisting the weak can be carried to the point where it conflicts with that necessary rule of "the best minds" which is as essential to stability and progress now as in Plato's day:

Government is the great enemy of initiative. Its chief duty is to make rules and regulations. Every rule is a curb on freedom, and danger lies in making everyone and everything conform to a type. . . . Management may not quit under criticism. It is not enough to stand up under criticism when one merits it; it is necessary to stand up and take it when one does not merit it. . . . When the wisest are at a loss, and it seems easier to be wrong than to be right, management must stand by its colors.

The first social duty of management, said Chester I. Barnard, *(Continued on page 72)*



Foreign delegates applaud Secretary Hull's statement urging lowered trade barriers. Left to right: Dr. Francesco Mauro, Italy; Dr. George Seebauer, Germany; Anders Hedberg, Sweden; and Alex Brulé, France

WIDE WORLD

ROYAL PRESENTS



**THE
NEW
NUMBER
1**

with **MAGIC*** MARGIN

MOST AMAZING TYPEWRITER FEATURE EVER PRESENTED!

FROM EVERY POINT OF VIEW

Royal's New No. 1 is the greatest typewriter ever produced! It is truly a revelation in modern design and performance. The beauty of its graceful, sweeping lines . . . MAGIC Margin . . . the wide variety of its advanced Features of the Future . . . its smooth, quiet, well-nigh effortless operation . . . all contribute toward making this New Easy-Writing Royal a masterpiece of mechanical perfection. Give it THE DESK TEST . . . Judge its value in terms of results! Compare the Work!

*Trade Mark

AN AMAZING INVENTION!

Revolutionary . . . Here is dramatic proof of Royal's constant progress! No more setting of margins by hand! On Royal's New No. 1, and only on this typewriter, the operator merely positions the carriage—MAGIC Margin does the rest, automatically!

No fuss! No fret!
Click—it's set!

Copyright, 1938, Royal
Typewriter Company, Inc.,
2 Park Avenue, New York.



ROYAL MORE THAN EVER WORLD'S No. 1 TYPEWRITER

Washington and Your Business

By HERBERT COREY

A Snitch in Time Wins Rubber Egg

TRADE association people do not know just what to make of the questionnaire sent out by the National Economic Committee through the Department of Commerce. It may be all right. Answers to the questions may show the associations as whiter than snow and possessed of dispositions alongside which trim-tailed lambs show up like catamounts. But they do not like one line. In effect it asks associations to turn their neighbors in to the cops:

Make your replies on separate sheets of paper.

It may be observed that calls made on dial telephones cannot be traced. It may also be that these suspicions are unfounded. Life is like that.

Most Think the N.E.C. is O.K.

MOST trade association people, so far as this reporter has been informed, think the N.E.C. can be trusted. North Storms, president of the American Trade Association Executives, says the associations have nothing to fear and that the examination will be impartial and unprejudiced.

"Out of it may come a better understanding by legislative and administrative bodies."

Edwin B. George, of Dun and Bradstreet, hopes the inquiry will be a searching one.

Industry will wish both to assist the Government and to protect itself against unfair attacks.

Fear of Ambush Still Prevails

INDUSTRIALISTS have observed that governments are made up entirely of men. Two men may be equally honest but one may be unfair. Approval has been heard of

the warning by Leon Henderson, secretary of the N.E.C. "Give down," he said in effect, "or we'll subpoena you into court."

That's all right. No cards dealt under the table.

One of Those Queer Things

THIS reporter hates to be clandestine in his methods but one of the two departments of the Government concerned in this item must remain nameless. The War Department asked a great corporation for information which is absolutely vital to the scheme of national war-preparedness. Said the corporation:

Sure. Only this is secret stuff, *comprende*? Our competitors want it, too. You won't let it go any farther?

"Cross my heart," said the W.D.

Another department heard that this information had been given to the W.D., and wanted it badly enough to threaten to compel the W.D. to break faith and produce in open court the information it had promised to keep secret. The President put a stop to that. But events of that sort cast a shade on that perfect understanding the Government thinks business should render it.

Keep Fingers Crossed, Lady

LIKEWISE in dealing with the Government a corporation may have what it thinks is a contract. Every one is honest, every one means well, and all at once the contract burns up in the corporation's hands. Harry Houdini used to do

the same trick. Some one—perhaps Col. O. S. McGuire of the Comptroller General's office—once wrote a little book telling business men how to deal with the Government and not get burned, but the incineration goes on just the same.

Once Mr. Arnold Wrote a Book

NO important public hearings will be held by the N.E.C. until after election. By that time it is possible that the attitude of Thurman Arnold, trust-buster of the Department of Justice, may have been made clear. Mr. Arnold may direct his efforts toward the gathering of information with a view to shaping legislation later. That is the intent of the act under which the N.E.C. was created. Or he may regard the operations as source material. It has been observed that in "Folk Lore of Capitalism" he wrote that

Institutional creeds—must authoritatively suppress any facts which interfere with those ideals.

If that means what it sounds like, Industry is in for a period of flagellation and outcries. Yet it is pointed out that Mr. Arnold was still a professor when that was written. Also that Senator Joe O'Mahoney, who is chairman of the committee, has indicated that, if any one tries any skulduggery, he will be uproarious.

Different If It's Your Ox

HUMOROUS comments have been made on the fact that the National Press Club, composed entirely of cynical, seasoned, bitterly impartial journalists, has suddenly been brought face to face with the facts of life. Many of its members have in their writings been friendly to the Labor Relations Board. Then the club employees reported that organizers were promising to break their arms and legs if they did not join a C.I.O. union. The Club through its officials protested to the N.L.R.B. The Board said, in effect

Sorry! The Board will not do anything. But if the Board catches the Club telling its employees that their arms and legs will not be broken the Board will use a paddle on the Club—

The employees voted to stick by the Club even at the cost of a few arms and legs. But the Club knows more about the labor problem now than it used to know.

This Is Not a War Secret

EUROPE has contracted for a good many hundred American airplanes for future delivery, which is looked on with approval by the War Department. If and when we need to expand our air fleet in a hurry our manufacturers will be in a better position to go to work on the new contract as a consequence of the European buying. The fact that the contracts have been extended since the violets-are-blue pact was signed at Munich indicates that Europe loves its neighbor like itself but continues to keep a gun.

Grapevines on Supreme Court

NO ONE believes—at the moment of writing—that Prof. Felix Frankfurter will be named to the Supreme Court to fill the vacancy left by the death of Justice Cardozo:

"He opposed the President on the Reorganization bill,"

THERE'S POWER IN "PERSON-TO-PERSON" MAIL CONTACTS



... USE IT TO INCREASE YOUR SALES AND PROFITS



Grouped in a few square inches on an ADDRESSOGRAPH Typing Unit is everything you want to *know* and *use* about a BUYER. Many styles available—all easily prepared in your own office or at a nearby ADDRESSOGRAPH SALES AGENCY.

People appreciate being approached as individuals. They respond when selling appeals are in terms of their own particular needs. You make the most of this natural response to personalized selling when you use direct mail.

You have valuable facts concerning the buying habits of your customers and former customers. You know their names . . . what, how, and when they purchased . . . what they will probably desire or need again. You can obtain useful information about others who should buy from you.

This information properly organized is a gold mine of sales possibilities.

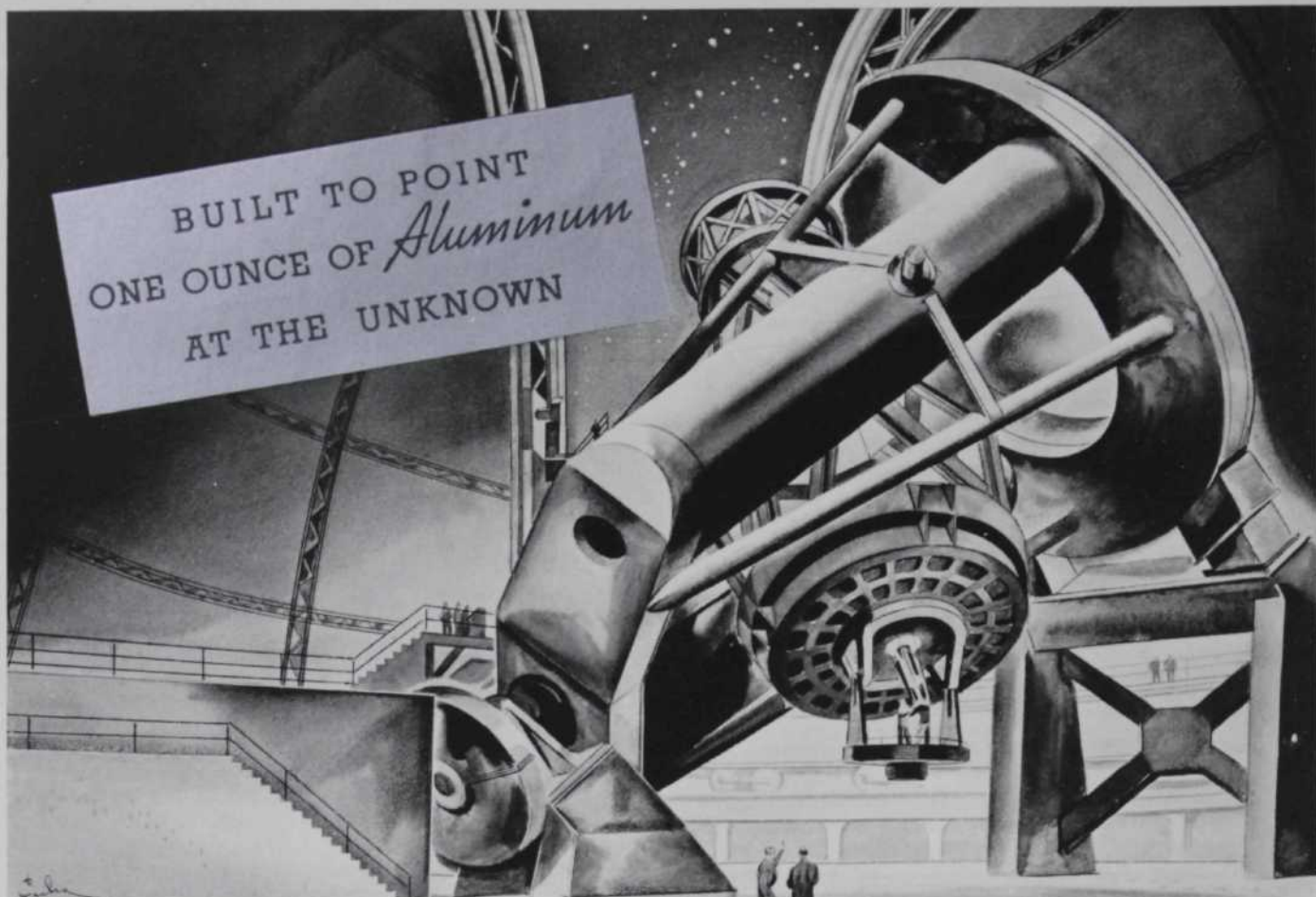
It pays to let *buyers* hear directly from you—about your services, the quality and style of your merchandise, the fairness of your prices. You can increase business within your logical trading area by direct solicitations to *prospective customers*. Direct mail proves most effective to induce *former customers* to resume trading.

Addressograph is the simple, economical way to use individual appeals in selling. It provides classification of every name on your list, and *automatic* selection of those to whom specific approaches should be directed.

SEE THE **Addressograph** MAN

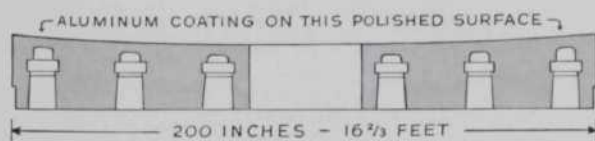
He will be glad to explain how your business can profit from "person-to-person" mail contacts. You will find ADDRESSOGRAPH SALES AGENCY listed in principal city telephone books. Phone them for further information, or write direct to—

ADDRESSOGRAPH-MULTIGRAPH CORPORATION • Cleveland, Ohio
ADDRESSOGRAPH-MULTIGRAPH OF CANADA, LIMITED, TORONTO • Sales Agencies in Principal Cities



AT MT. PALOMAR, CALIFORNIA, they are building the largest telescope in the world. This gigantic enterprise might be described as an undertaking to arrange a million pounds of steel and glass so as to point less than an ounce of Aluminum accurately at the heavens.

This tiny bit of Aluminum constitutes the main mirror; will be in the form of a very thin coat of pure metal, deposited by evaporation on the surface of a 16-ton disc of special glass.



This 16-foot mirror will gather four times as much light as any existing telescope.

Aluminum is used for the reflecting surface for two reasons: First, it stays brighter longer than the silver surfaces used heretofore. Experience proves that even after three years' use an Aluminum mirror shows little decrease in reflecting power.

Second, Aluminum will record star images faster on the photographic plates used for nearly all celestial observation. It is practically as good as new silver for reflecting visible light, and many times better for the ultraviolet light which is most active in sensitizing the plates.

This increased efficiency, plus greater light-gathering capacity, will enable the new telescope to "see" stars several times as far away as any that can now be studied. Less than an ounce of Aluminum will add millions of light-years to the dimensions of our known universe!



IT'S A LIFTABLE IDEA

At the other extreme in size, we find Aluminum used as the reflecting surface for mirrors no bigger than a pinhead, on delicate oscillographs used by Gulf Oil Corporation in oil prospecting.

Lighting equipment manufacturers are featuring reflectors of Aluminum with patented Alzak Finish, which retains high efficiency. We can give you makers' names.

The reflecting ability of Aluminum Foil is now widely used for heat-insulation. 50,000 square feet of the dome at Mt. Palomar will be insulated with Alfol* panels.

Aluminum Foil, used as a wrapper, reflects heat, keeps foods cooler, fresher. Aluminum Paint reflects heat on oil tanks, decreases losses from evaporation.

Versatile Aluminum! May we help it help you? ALUMINUM COMPANY OF AMERICA, 2125 Gulf Building, Pittsburgh, Penna.

INTERESTING FACTS ABOUT MT. PALOMAR TELESCOPE

The dome will be 135 feet in diameter, and about the same height.

The big horseshoe, shown above, which rotates on a pressure film of oil, is 46 feet in diameter.

There are four different combinations of mirrors used for various kinds of observation. One combination uses five mirrors, which finally bring the light into an air-conditioned, temperature-controlled room containing delicate recording instruments.

Extremely powerful, yet unbelievably accurate, mechanisms are used to "drive" the 500-ton telescope so as to keep the Aluminum reflecting surface pointed continuously at the "moving" stars. The problem is like keeping a gun pointed steadily at a moving silver dollar twenty miles away.

A light-year is 6,000,000,000,000 miles. This telescope will see stars a billion light-years distant. It will bring the moon apparently within 25 miles of earth.

This mammoth camera has a prime f. ratio of 3.3.



ALCOA · ALUMINUM

*Reg. T. M., Alfol Insulation Co., Inc.

is the reason for the non-belief. Grapevine rumors about what the White House is going to do often wither long before they have time to blossom.

Old Mr. Paradox Takes a Bow

IT is stated authoritatively in informed quarters that the Administration proposes to do something for the railroads.

No one fears the U. S. will be involved in anybody's war. But, if trouble were to start, it is known that trucks would not be able to handle transportation. The roads must be preserved if only for the national defense.

That intention may be relied on.

Roads Were Hurt by Tinkers

THE Government's fact-finding board in the dispute with the railroad workers has been told that the Government itself has almost destroyed the roads by its constant tinkering. Lord knows how much money and trouble the valuation proceedings cost the roads. No real use was ever made of the product. The I.C.C. has played the Roman centurion complete with sword. "Go thou," the I.C.C. has said to the roads, and after some blattering to the effect that it was a lot of silly nonsense the roads have gone. Often, sure enough, it was a lot of silly nonsense. But it cost money. Some one once said that an engineer dare not stick his head out of the cab window nowadays without the I.C.C.'s permission. The Government paid for the cost and upkeep of an inland waterways project which was designed to take freight business away from the roads and did. Its hydroelectric projects, the fact-finders were told, have not only partly ruined the miners but have shortened the coal-carrying revenues of the roads. The Government is the largest user of freight cars in the country because of its manifold ideas, but, on land grant mileage, the roads carry the stuff at half price and lose money. Meanwhile, taxes, wages and costs are going up. So now the Government is considering pouring the ipecac out of baby's bottle and putting in a little milk.

Just to Keep Record Clear

the Government's side. Mr. O'Brian has been nominated for the United States Senate in New York. He is not a New Dealer, but has been a most progressive Republican, and was brought to Washington by President Hoover to handle the antitrust cases. His retention by the Government in the T.V.A. case is a tribute to his legal rating.

Anything May Happen in It

IN the T.V.A. case the 16 protesting utility companies charge that the production of power was the real goal of the Act. The decision will be of immense importance to holders of utility securities everywhere. The Court might hold the Act constitutional without passing on this point, however.

Power generation might be the underlying intent, but the Court might rule that navigation and flood control are the primary activities and hence constitutional.

True Case of Man Biting Dog

SO far as known this never happened before in any department of the Government. The Post Office Department, speaking through Comptroller W. L. Slattery, will ask a thorough investigation of its accounting with a view to changing the system:

We should bring about an accurate statement of postal

income and expenditure and produce an accurate financial result, for the first time in our history.

Cotton Factors Don't Like It

COTTON men are objecting to Senator Key Pittman's plan to sell cotton abroad in return for silver at the present artificial price of 43 cents an ounce. Their objections are:

This would mean 4.3 cotton. Foreign mills could take our entire stock of cotton off our hands at that price and no doubt would. But that would be two years' supply and until the stock was exhausted we would have no foreign market.

Headache Control Needed

UNDER the Soil Conservation Act not only is the price of wheat at its lowest for five years but, under the adjustment contracts, the farmer faces a curtailment up to one-third in his wheat acreage. Dissatisfied farmers will ask Congress for some form of price control and Secretary Wallace is trying to head this off with proposals for processing taxes:

"The courts have held them valid," he has stated.

Some of the more discouraged economists in the A.A.A. think the old law of supply and demand may operate again in time. Not, they hope, in their time.

One of Those Little Hunches

GOSSIP is that Congress will not change the Neutrality Act.

"It's full of holes as a bride's veil."

If anything should happen in Europe it would leave the Administration's hands free. So they say.

Norris at the Wailing Wall

MORE gossip is that the new plan to link the power facilities of the East, and to add to them if necessary as a safeguard against unexpected strains either in war or peace will be accepted by both sides. The utilities will be given assurances and lent money if necessary. This is bad news for Senator Norris, who has been dragging a stuffed octopus along the trail for years because it may be an indication that the Administration's attitude toward the utilities is softening. Holding companies still in bad.

Common-sense in New Plan

EUROPEAN events have speeded up the preparedness campaign. It has no war-making color, but the War Department does not propose that the United States shall be as helpless as at the outset of the last war. There will not be much money in it for manufacturers, but if there should be a sudden bulge of trouble they will save themselves confusion and probable loss if they ascertain now what they will be called on to do. Assistant Secretary of War, Louis Johnson, is the man to ask.

Refugee Plans in the Making

GUESSWORK as to what Congress will do on the refugee question would be nothing else than guesswork. It is taken for granted, however, that an attempt will be made to soften the immigration laws to admit larger quotas from Germany, Austria and Czechoslovakia. An international agreement is under discussion.

Maybe This is Just a Worry

MANUFACTURERS who have been studying the wage-hour law have noted a certain ambiguity. As they read it, it is necessary for interstate operators to make sure that their suppliers have produced the goods they have bought in

strict compliance with the law. As some of them see it, this may extend to cover foreign manufacturers and suppliers as well. Which, conditions in Europe being what they are, would not be nice.

Another Smith Is in the News

THE A.F. of L. has let it be known that it will oppose confirmation of the reappointment of Donald Wakefield Smith as a member of the N.L.R.B. A little scattering fire will fall on E. S. Smith of the Board, who attacked American employers in an address to the so-called International Industrial Relations Institute at Mexico City, for what he called their failure to cooperate with the Board. American relations with Mexico being what they are, Mr. Smith will almost certainly be called on to explain his action. The body he addressed is an offshoot of the Mexican Federation of Workers, and if that body is not communistic by American standards it is nothing.

Stronger Than Maginot Line

THE Treasury is proud of the new vaults in the yard. "That gold-lined hole out in Kentucky is just a wallow by comparison. Our noise detectors are so good that, if a burglar should drop a cigarette on the floor, the concussion would knock the watchmen out of their chairs."

Bankers Must Loosen Up More

BANKERS are beginning to suspect that Jesse Jones was not merely wise-cracking when he told them:

Don't do as I do. Do as I say.

He is an ace banker and about as smart a politician as the South has produced. It may be he has been trying to tell the bankers that, although their defense of their present practices may be good from a banker's standpoint, if they do not extend their credit lines, the Government will move into the banking business, horse, foot and dragoons. Already some banks which a few years ago would have shuddered at the thought are financing instalment purchases, making long term loans, payable by instalments, giving credit to housing projects, and granting small commercial loans which were once considered a sheer nuisance. In any case the bankers always go to thinking when Mr. Jones speaks.

May Solve the Golden Puzzle

WE now have more than one-half of the world's gold. The fear has often been expressed that, if we should ever cut loose with our \$14,000,000,000 in bullion and coin, a boom would

be started which would end all booms. Mr. Morgenthau says that

It's a very pleasant worry to worry about.

But some bankers suspect that if Mr. Jones, by the application of force-cum-precept, should induce a flow of money into mercantile channels, a sane prosperity and not a balloon ascension would follow.

But He's Lived Through Others

PERSISTENT C.I.O. report is that John L. Lewis faces a tough struggle to retain control. So far as the record shows he has always faced a tough struggle. In one struggle

in the United Mine Workers—this was years ago before Mr. Lewis's strength had leaked somewhat out of his arms into his voice—he was thrown out of a window into an alley. His opponents crowded to the window to gloat over his defeat and, while they were gloating, he gathered his friends and hit from the rear. Result, victory. His present opposition in the C.I.O. is not based—if report is

reliable—upon the tactics he has pursued, but on the less admirable ground that by pursuing them he has lost popular liking and injured the C.I.O. to that extent.

Shake-up in Bank Set-up

PRESTON DELANO did not take J. F. T. O'Connor's place as Comptroller of the Currency because he is a so-distant relative of the President, but because he thinks along

with Secretary Morgenthau that the F.D.I.C., the Federal Reserve, and the Comptroller's office must work more in cahoots than they have been. Legislation is being worked out.

One of Those Bare Chances

A. MR. ROOSEVELT wants a governmental reorganization law enacted. He thinks it is genuinely needed. If such a law were made it would

salve the wounds received when the 1937 bill was beaten.

B. There is belief in solid quarters that such a bill, highly specific, with no Corcoran clauses or Benny Cohen quirks delegating unsuspected powers to the President, would have the intellectual support of a majority of both Houses.

C. The Bureau chiefs laugh like warhorses at such a thought. They think they can beat any bill, no matter how excellent.

Put Together This and That

ONCE the North Shore railroad of Milwaukee won a prize as the finest example of what a high-speed electric road might be. It ran 75-mile-an-hour trains and in 1923 carried

16,146,802 passengers and 445,848 tons of freight. Business dropped off and three months ago its 1,300 employees struck against a 15 per cent wage cut. The road may never resume operations. The employees would like to go back to work and take the 15 per cent in scrip, but the road cannot find the money for the 85 per cent. That's the "this" of this paragraph.

Here's the "that." In Australia, the Industrial Courts have refused shorter hours to many thousand employees of small business men on the ground that a common sense review of conditions has shown that the employers could not stand the cut in hours and would have to put up their shutters. They seem to have something "down-under."

This Looks Like Sound Sense

ADMITTEDLY about the hardest job set the S.E.C. by Congress was the regulation of the over-the-counter security business. After an exploration, the S.E.C. called in the

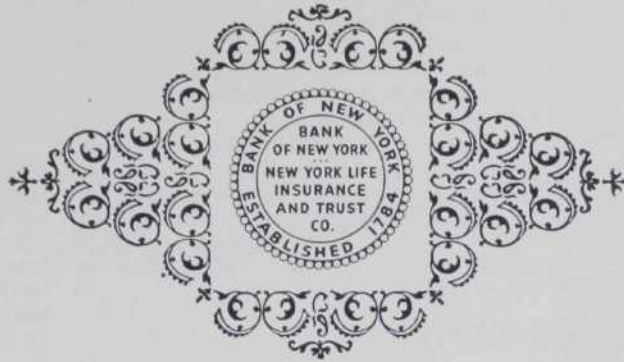
industry to cooperate. Out of that cooperation the so-called Maloney Act was born. Now the S.E.C. has named the members of a unit from the industry to regulate it, and hopes are entertained. This was possible because in this instance the S.E.C. tried to educate instead of to order.

Harlan County Sets the Pace

WHEN Harlan County (Ky.) coal operators unionized their mines they accepted a smaller differential between mines of the north and south than had ever been known before.

It is regarded as probable that this differential is smaller than many of those recognized by the Public Contracts Board and perhaps less than will be accepted by the wage-hour administration. A fair deduction is that this partial equalization between industries shared by north and south may spread. At least this deduction is being made.

*New York's First Bank
Established 1784*



*Personal Trusts
Since 1830*

A leading fiduciary for 108 years,
serving in all personal and
corporate trust capacities

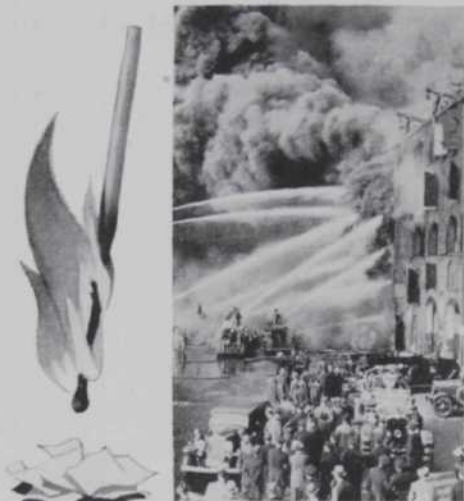
EXECUTOR . . TRUSTEE . . CUSTODIAN
CORPORATE TRANSFER AGENT and REGISTRAR

BANK OF NEW YORK

48 Wall Street — New York

UPTOWN OFFICE: MADISON AVENUE AT 63RD STREET

A Careless Match



MIGHT DESTROY YOUR PLANT TONIGHT!

THAT ROARING FIRE sweeping through a huge plant was once only a match carelessly thrown aside. In some unnoticed corner, perhaps beneath a stair, it smoldered for hours—and then, at night, when all was quiet, it burst into flame—observed only when a rising billow of smoke marked another plant doomed to destruction.

WHERE WAS THE WATCHMAN—asleep in the office? Making a casual inspection of the yard? No matter—he failed to notice that little flame, the acrid smoke until too late.

SAFEGUARD YOUR PLANT from this constant menace by seeing that a watchman, properly supervised, patrols every point of possible danger at regular intervals during the times when the plant is unoccupied—leaving for your inspection a positive record that cannot be altered, that defies tampering.

THE SIMPLEST WAY to provide such supervision is with a Detex System. A system that is so inexpensive and positive that 80,000 Detex Clocks are nightly guarding the nation's industrial wealth from fire, theft and other unforeseen calamities.

WRITE TODAY for information on how your place of business can quickly and easily secure positive supervision over your watchmen with a Detex System.



DETEX WATCHCLOCK CORPORATION
80 Varick St., N.Y. 4153 Ravenswood Ave., Chicago, Ill.
29 Beach St., Boston. Rm. 800, 116 Marietta St., Atlanta
NB-11

DETEX
WATCHMEN'S CLOCKS
NEWMAN * ECO * ALERT * PATROL

The Vision of Utopia Revised at Matanuska

(Continued from page 18)

emphatically that he and his family were not working from five in the morning until nine at night to help feed and support brother and sister colonists who slept until 10 A.M., whose cows were milked when convenient and whose hens died of neglect.

"Here in Matanuska, the man who does is supposed to help support the man who does not. To the best of my knowledge, there is only one country in the world dedicated to that principle and it's not the U.S.A."

A market for garden produce

ALASKA towns have never been able to obtain enough garden truck. The Territory imports more than \$250,000 in green vegetables every year. Pippel saw the opportunity. For the past two seasons he has shipped radishes, green onions, turnips and carrots to five major Alaskan cities in competition with greens and produce brought in from Seattle. He has built a \$1,250 greenhouse to get tomatoes to market weeks before tomatoes arrive from the outside. (He declares that this greenhouse is not regarded as an improvement on the land, because it was not approved by the ARRC.)

"But why have you been ordered off the land, Mr. Pippel?"

"Because I refuse to allow myself and my family to be leveled down to the standard of the weakest sister in the colony. My produce is rated the finest in the Valley yet, by the terms of the co-operative marketing agreement (which I refuse to sign), my garden truck would be lumped with the poorer stuff and paid for accordingly."

Business men in Anchorage reported that one day in July, Walter Pippel personally sold 175 bunches of green onions at eight cents and 250 bunches of radishes at five cents, and that on the same day the cooperative marketing organization of Matanuska brought to Anchorage to sell 12 bunches of radishes and 12 bunches of onions.

Pippel spread out before us an impressive looking yellow document. It was 2½ feet long and included more than 400 lines of fine type on both sides of the paper.

"That is called the Contract for Sale and Purchase of Realty of the land on which you are now standing. By the terms of that contract, when I get through paying for these 40 acres, I don't own them. I don't get a title in fee simple to the land. By the provisions of Sections VII and XIII, conditions running with the land forever bind me, my children and my children's children to maintain this property always as a part of the cooperative marketing system and subject to the direction of the general manager of the ARRC. I can't sell it, mortgage it, give it away or do anything with it without approval of the ARRC. I can pay for it. But I can't own it.

"Twice I have offered cash in full to the ARRC in exchange for a deed in fee simple to the land which I have been working so hard to own. But the corporation has refused to take my money and has refused to give me the kind of a title deed that any free, American citizen would expect.

"To find out what sort of a title this yellow document would bestow on my land, I took it to a leading bank in Anchorage. I asked whether I might borrow \$1,000 on it, if and when I no longer owed the Government a cent. The banker told me, 'Walter, we wouldn't lend you a dime on that deed. But we will be glad to give you \$1,000 on your personal note.'

"Do you wonder why I refused to agree to such a communistic contract? And here is a fact you should know. This yellow contract was not given to us until two years and eight months after we came to Matanuska!"

The Colony is divided into eight districts and, when this contract was given to the farmers, five districts were reported to have voted 100 per cent against accepting it. Officials of the ARRC confirmed this information but stated that the opposition was because the contract had not been explained properly. After it was interpreted, most of them signed. In August eight were still holding out.

Pressure encourages signing

NUMEROUS farmers have openly declared that pressure from the ARRC made signing the contracts advisable. They said that credit, and part time jobs had a peculiar way of drying up for those who didn't sign.

"To sign the contracts was the easiest way out. We haven't any money to go to court."

Outstandingly good citizens of Matanuska are the Joseph Puhls and the Virgil Eckerts from Barron County, Wis.

"We were the first families to go on a cash basis. Thirteen months after we arrived, we had earned enough to see our way to discontinue credit. We were heartily disliked by those who wanted government relief as long as they could get it. For a long time, it was very unpleasant for us," Mrs. Puhl told us.

"What do you regard as the most important step that should be taken in the Colony, Mrs. Puhl?" we asked.

Without a moment's hesitation she replied, "Stop passing out relief money. All of us came to Alaska to farm and that is what the colony should be doing."

To learn whether the Matanuska Valley could provide a living on the land we talked with a number of farmers not members of the Colony. Victor C. Falk took us over his farm.

"I worked in the oil fields of Southern California, around Long Beach, before I came to Alaska in 1932. I bought this 160 acres on jaw-bone and paid it off in less than a year. I do general farming

and sell all the hay I can raise at \$30 a ton. I now own a complete set of farm machinery, passenger car and truck."

As he led us to one of the pastures where his cows were belly deep in grass, Falk remarked, "I have relatives in the Platte River Valley who are having a tougher time making a living than I ever have had in Alaska—including the first season. My gross income exceeds \$3,000 a year and it all comes from the farm."

Max Ennes from Cheboygan, Mich., a colonist, is greatly dissatisfied with the entire set-up and when interviewed was about ready to leave Matanuska.

"What were you told, before you left Michigan, that you would get in Alaska?"

Not according to prospectus

"MY WIFE and I were shown pictures of colonial houses, with full basements and electric lights. We were to have one of them. Twelve acres out of 40 were to be cleared the first year. Necessary farm machinery was to be supplied and our debt would not exceed \$3,000. Mine now is nearly \$7,000.

"I haven't signed the marketing agreement, nor the land contract because, even if I do, the general manager of the ARRC has the right to kick me off the land on 30 days' notice.

"But if I am a good boy and sign the documents, my debt will be scaled down to \$2,251.51. If I don't sign, then my debt will stand on the books at nearly \$7,000. Now do you understand why practically every colonist has signed the marketing agreement?"

John V. Kirsch of Beltrami County, Minn., who was the first off the train in Palmer, said, "Alaska is great. Nobody could sell me a ticket back to the States. But the regimentation of the colony has made the situation hopeless. Rules are changed from day to day. You are only supposed to grow what they tell you. If the ARRC should fold up tomorrow, we'd never miss a meal."

Kirsch is declared to have had a total debt of \$17,626 which, when he signed the agreement and contract, was scaled down to \$6,290. His debt is allegedly the highest in the colony.

"The Corporation put up a standardized \$1,800 barn on my land whether I wanted it or not. I was never consulted nor were the other colonists as to the kind of buildings they wanted. Go into the barn and see for yourself. Green lumber was used and the cracks are from two to six inches wide. And what's more, the head constructor admitted he'd never been in a barn before he came on this job.

"The barns look swell from the outside. But any real farmer can tell you what's wrong with them. They are 32 x 32 x 32, with the hay loft 21 feet high. The loft has a theoretical capacity of 25 tons of hay, but, with those dimensions, the best you can get in is between ten and 15 tons. Just look up there. Do you see any hay tracks or provision for hay slings? They are nice looking cracker boxes and they certainly impress the tourists," Kirsch chuckled.

The present General Manager of the ARRC is tall, slender, conscientious



*Name on request

How This Firm Saved 38.1% in Lumbermens

Compensation Insurance Costs Greatly Reduced

● In December, 1931, a New England mill placed its compensation insurance with Lumbermens. Its previous accident record had been unfavorable, but Lumbermens safety engineers found ways to reduce the physical hazards that caused many of the accidents and to prevent their recurrence. The result: a 31.2% drop in the collected rate in five years with but a 10% drop in the manual rate.

During this time the initial collected rate of \$1.028 has been reduced to \$.707, effecting a saving of \$6,824. To this was added Lumbermens dividends of \$3,737—a total saving of \$10,561 or 38.1%.

Savings from Lumbermens Program

Each year Lumbermens engineers save thousands of dollars for hundreds of alert employers. Lumbermens comprehensive safety program embraces both scientific methods of reducing physical hazards and an educational service that teaches employes how to avoid accidents.

Find out how this program can save you money not only on your compensation insurance cost, but also by reducing the many losses that always result when accidents occur.

Write today for more complete information about Lumbermens and a copy of the brochure: "How 10 Corporations Reduced Production Losses by \$133,099."

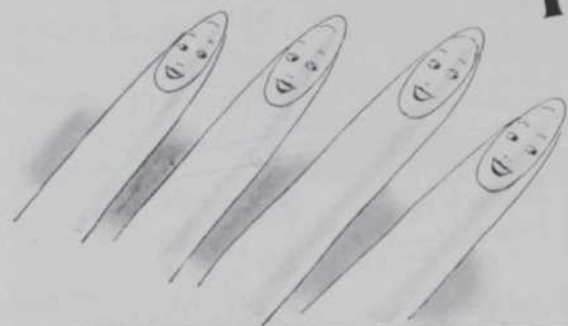
LUMBERMENS MUTUAL CASUALTY COMPANY

JAMES S. KEMPER, President

MUTUAL INSURANCE BUILDING, CHICAGO, U. S. A.
Save with Safety in the "World's Greatest Automobile Mutual"

Perhaps You've
never heard of—

Smiling Finger Tips!



"Well if my fingers
could talk they'd tell
you something about
Underwood TOUCH!"

Do your typing fingers fairly shout in aching protest at the end of a busy day? And does wrist-weariness slow you up in the late P. M. when speed is often needed most? Then try the new Underwood Master and find out just what typing ease really means.

It not only offers extreme ease of "Touch" but it does a finer, cleaner-cut typing job. No fuzzy characters. No hill and dale alignment of letters or words on the page.

So, if you'd change *aching* to *smiling* finger tips, just say to your chief: "Underwood will deliver a Master for a free test if you'll just telephone the nearest Branch or write to headquarters. Hadn't we better do it today?" Sales and Service Everywhere.

Underwood offers a choice of three typewriters—the Standard, the Noiseless and the new Master. The Master offers Dual "Touch Tuning", Champion Keyboard and the new Sealed Action Frame, providing quieter operation and greater protection against dirt.

Typewriter Division, UNDERWOOD ELLIOTT FISHER COMPANY, Typewriters, Accounting Machines, Adding Machines, Carbon Paper, Ribbons and other Supplies. One Park Avenue, New York, N. Y. Underwood Elliott Fisher Speeds the World's Business
Copyright 1938, Underwood Elliott Fisher Company

THE
NEW

Underwood Master

TYPEWRITER



Leo B. Jacobs, 35, who is an architect by profession and was with the FERA in Washington. Jacobs has been with the Matanuska colony from the beginning and is the third general manager of the project.

His is the particularly dirty job of striving to bring order out of chaos, shaking out the misfits and getting the colonists to comply with the specifications of the cooperative marketing agreement and the contract for sale and purchase of realty.

In his own words he will be an old man long before his time. Colonists ask his advice about everything from what to do with maturing daughters to the best way to color Easter eggs. Many of the colonists are of limited education and Leo Jacobs must have an encyclopaedic mind and the wisdom of Solomon.

Jacobs summarized his problems by saying, "One of the greatest difficulties with the Palmer project is that so many of our colonists do not appreciate the nature of the cooperative marketing community they agreed to establish before they left the States. Cooperatives are eminently successful in many parts of our nation and phenomenally so in certain European countries. But where they are most successful, the cooperatives have been a voluntary expression and growth from the farmers themselves.

"Here in Matanuska, the federal Government through the ARRC supplied the entire set up, gave the colonists everything, and now we are trying to educate them to the cooperative. It is tough. But I think we are succeeding."

Self-governing or not?

CERTAIN officials of the ARRC stressed the point that the colony was self-governing in its policies, that the federal Government is allowing the Matanuska Valley Farmers' Cooperative Association and the ARRC complete freedom of action. Therefore the foundation, side and roof of Utopia are a reality.

Yet, two of the directors of the ARRC stated flatly that the Board of Directors is a rubber stamp for policies dictated by the Department of Interior.

A barber in Anchorage while whittling the whiskers of a customer poised his razor in the air and philosophized, "You know what? Us Americans ain't built to the mould that will stomach 100 per cent governmental dictation of our lives. I for one wouldn't live in the Palmer Colony, where you blame near have to get written permission for your wife to have a baby and you can't raise nothing but white leghorns.

"And as for them marketing agreements and phony land title deeds, I'll bet they ain't got the likes of them in Russia or Italy. I think if Congress knew what somebody is trying to put over here in Matanuska, the senators and representatives at the next session would raise so much hell that them yellow contracts would all get torn up. After all, just about the most sacred right of being a free American citizen is—when you buy something, you own it. Well, they don't in Matanuska. Yes, sir, it's quite a muddle."

The German Bid for Self-Sufficiency

(Continued from page 36)

tain enough of the German rubber "Buna" to make tests elsewhere. This year tests have been made.

The doctors do not agree as to how it compares with other synthetic rubber-like materials but, if reports from Germany are believed, one of the Buna (there are several kinds) is considerably better than natural rubber. It is much more expensive, more difficult to work—requiring special methods and even different equipment—but the output for 1938 is, nevertheless, estimated at 25,000 metric tons. New companies are being organized and new plants erected with prospects of supplying next year 40 per cent of the national requirements, which come to around 100,000 metric tons annually. Buna is derived from coal and limestone. Power cost is one of the determining factors in the price of the finished product.

A tax encourages Buna

NOTWITHSTANDING the production of Buna, considerable crude rubber is still imported. However, a 100 per cent duty is imposed which provides funds to build new Buna factories. At present it is believed that Buna would cost about 80 cents a pound if manufactured in America, though the market price in Germany was recently reduced to about 44 cents a pound and a further price reduction is expected when a better working basis and a larger output have been achieved. The current price of crude rubber is about 15 cents a pound in the United States.

Accomplishments have also been made in the textile field. Of course rayon has been produced for some time in the Reich, and a modification of that process gives "Zellwolle," of which some 100,000 metric tons were produced in 1937. It is made from cellulose derived from wood, hence the importance of the Austrian forests. Heretofore, large quantities of pulp had to come from outside the Reich. "Zellwolle" is woven into attractive textiles, said to wear as well as natural wool and to be as warm.

Some success has also been achieved in producing from fish albumin a textile fiber much like wool. A textile consisting of 80 per cent "Zellwolle" and 20 per cent fish wool, colored with special dyes, has been made and the possibility of producing textile fibers from other animal material is being investigated.

In the field of synthetic resins Germany has followed the United States though there have been some notable domestic developments. Production in 1937 is estimated as 45,000 tons. The principal activity has had to do with the unusual utilization of synthetic resins to free various metals for other purposes, such as munitions, and to manufacture laminated wood strips to make structural material for airplanes.

Copper, lead, nickel and tin are im-

Guaranty Trust Company of New York

FIFTH AVE. OFFICE
Fifth Ave. at 44th St.

MAIN OFFICE
140 Broadway

MADISON AVE. OFFICE
Madison Ave. at 60th St.

LONDON

PARIS

BRUSSELS

LIVERPOOL

HAVRE

ANTWERP

Condensed Statement, September 30, 1938

RESOURCES

Cash on Hand, in Federal Reserve Bank, and	
Due from Banks and Bankers	\$ 700,989,773.31
Bullion Abroad and in Transit	29,187.00
U. S. Government Obligations	538,502,059.88
Public Securities	54,049,306.82
Stock of the Federal Reserve Bank	7,800,000.00
Other Securities	18,283,727.39
Loans and Bills Purchased	514,134,594.37
Credits Granted on Acceptances	19,248,615.66
Bank Buildings	12,272,538.61
Other Real Estate	682,944.16
Real Estate Bonds and Mortgages	1,911,117.98
Accrued Interest and Accounts Receivable	30,890,879.80
	<u>\$1,898,794,744.98</u>

LIABILITIES

Capital	\$ 90,000,000.00
Surplus Fund	170,000,000.00
Undivided Profits	12,041,182.65
	<u>\$ 272,041,182.65</u>
Dividend Payable October 1, 1938	2,700,000.00
Miscellaneous Accounts Payable, Accrued Interest, Taxes, etc.	19,988,037.44
Items in Transit with Foreign Branches	2,106,123.99
Acceptances	\$ 36,871,247.06
Less: Own Acceptances Held for Investment	17,622,631.40
	<u>19,248,615.66</u>
Liability as Endorser on Acceptances and Foreign Bills	9,246,498.00
Agreements to Repurchase Securities Sold Deposits	323,220.00
Outstanding Checks	\$1,535,019,694.53
	<u>38,121,372.71</u>
	<u>1,573,141,067.24</u>
	<u>\$1,898,794,744.98</u>

Securities carried at \$13,278,573.07 in the above Statement are pledged to qualify for fiduciary powers, to secure public monies as required by law, and for other purposes.

WILLIAM C. POTTER, Chairman

W. PALEN CONWAY, President

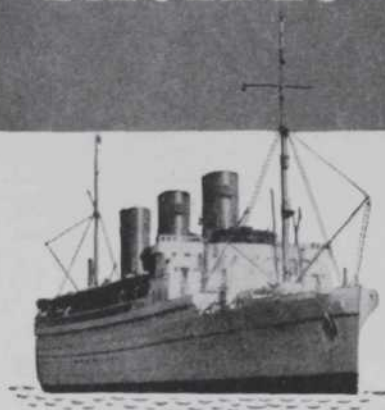
EUGENE W. STETSON, Vice-President

DIRECTORS

GEORGE G. ALLEN	Director, British-American Tobacco Company, Limited, and President, Duke Power Company	JOHN A. HARTFORD	President, The Great Atlantic & Pacific Tea Company
W. PALEN CONWAY	President	DAVID F. HOUSTON	President, The Mutual Life Insurance Company of New York
CHARLES P. COOPER	Vice-President American Telephone & Telegraph Company	CORNELIUS F. KELLEY	President, Anaconda Copper Mining Co.
JOHN W. DAVIS	of Davis Polk Wardwell Gardiner & Reed	FREDERICK P. KEPPEL	President, Carnegie Corporation of New York
ARTHUR C. DORRANCE	President, Campbell Soup Company	THOMAS W. LAMONT	of J. P. Morgan & Co.
CHARLES E. DUNLAP	President, Berwind-White Coal Mining Company	CHARLES S. MUNSON	President, Air Reduction Company, Inc.
LEWIS GAWTRY	President, The Bank for Savings in the City of New York	WILLIAM C. POTTER	Chairman of the Board
ROBERT W. GOELET	Real Estate	GEORGE E. ROOSEVELT	of Roosevelt & Son
PHILIP G. GOSSLER	Chairman of the Board, Columbia Gas & Electric Corporation	EUGENE W. STETSON	Vice-President
EUGENE G. GRACE	President, Bethlehem Steel Corporation	CORNELIUS VANDERBILT WHITNEY	Banker
W. A. HARRIMAN	of Brown Brothers Harriman & Co.	GEORGE WHITNEY	of J. P. Morgan & Co.
		L. EDMUND ZACHER	President, The Travelers Insurance Company

(Member Federal Deposit Insurance Corporation)

Blue Ribbon Ships OF THE PACIFIC



The great white *Empresses* hold every speed record to and from the Orient. 10 days direct to Yokohama by *Empress of Asia* or *Empress of Russia*. Or only three days more via Hawaii by *Empress of Japan*, largest and fastest on the Pacific, or *Empress of Canada*. Connect at Honolulu from California ports.

From Vancouver and Victoria to Yokohama, Kobe, Nagasaki, Shanghai, Hong Kong, Manila. Details from YOUR TRAVEL AGENT or Canadian Pacific: 41 offices in U. S. and Canada.



Canadian Pacific

portant among Germany's imported raw materials. In addition to developing plastics as substitutes, great pressure has been brought on such domestic metal substitutes as aluminum, magnesium, zinc, and their alloys. Those industries have expanded enormously having had, in addition to official encouragement, assistance through allocation of labor experts and subsidization.

Aluminum is made at home

FOR aluminum Germany must now import bauxite, representing at least seven per cent of the value of the manufactured product. This raw material comes from Hungary, Italy and Yugoslavia, with which Germany maintains such close relations that aluminum is propagandized as a purely German metal and its use rendered compulsory in many spheres.

For 1936 it was reported that 30,000 metric tons of aluminum replaced imported metals, and it is now claimed (after 1½ years of experience in a small pilot plant) that a method has been perfected for producing pure alumina from domestic clay. If this succeeds, importation of bauxite can be greatly reduced. Since costs are secondary, success in Germany does not mean that the method could be used advantageously elsewhere.

There has been increased activity in zinc, where economic difficulties have led zinc mining companies to urge import duties on zinc and the fixing of prices to protect domestic industry against world price fluctuations. Even so the German mines are said to be unable to operate with profit without subsidy. How extensive this subsidy may be is exemplified in the case of one company capitalized at 10,750,000 marks and supplying 23 per cent of the national output. Its subsidy in 1932 was 1,647,000 marks. It advanced the next year to 4,229,000, the year after to 6,400,000, reached 8,410,000 in 1935, and surpassed the total stock capital in 1936 when it reached 11,810,000 marks.

Adequate supplies of high grade iron ore continue to be a perplexing problem. Some iron is being recovered from pyrite cinders in blast furnaces. The low grade Dogger ores occurring in southern Germany are also being worked.

The search for tin has expanded dewatering operations.

Considerable store is laid in yeasts grown on artificial media and producing albuminous nitrogen fodder for livestock. Horses are to be persuaded that bran siftings, molasses, or cocoa pods are just as good as oats, though they may also find in their feed boxes the skins and crushed seeds of grapes, tomato seeds and skins, brewery by-products, or powdered animal blood. Flour from leguminous plants, refuse from the bakeries, and other by-products heretofore classed as waste material are in the list. The famous process developed by Dr. Bergius whereby the simpler sugars are produced from wood is also being exploited for feed.

Sulfur is required for the manufacture of sulfuric acid which is a fundamental material. It enters into the production of munitions and plays some part in nearly every modern industry.

Germany, without deposits of sulfur, produces this element from flue gases.

Pectin is being used in the manufacture of cheese, in medicinal preparations and as a substitute and filler for cream and butter in pastry. Sulfite waste liquor from the pulp and paper industry is being made to yield alcohol, certain solvents, and tanning materials.

These examples, although important in themselves, should be regarded principally as indications of work on a program that is intricate, beset with difficulties, and in need of great skill if it is to succeed. Contributions to the program include redesign of machinery to use the "Ersatz" materials, and personal sacrifice which accompanies a change in food habits now made at some times and in some parts of the Reich.

The economics of this program are likewise complicated. Some natural resources are being depleted at an abnormally rapid rate. The quality of some manufactured products is not up to our standard; costs in many cases are too high. Yet it is difficult to estimate costs where domestic raw materials are used in government controlled plants, workers paid in paper currency of the country, ultimate products purchased with the same type of currency and used within the confines of the country. A product costing too much to be useful under other circumstances may be regarded as entirely satisfactory in the attempt to carry out the Plan.

Low wages, high employment

PART of the story is to be found in the labor situation. The number of unemployed has been reduced to those who for one reason or another are unemployable. It is even contemplated that the 400,000 unemployed in old Austria will soon be absorbed in the production program. Strikes and lockouts are prohibited and all disputes to which labor is a party are settled by representatives of both employers and employees officially designated as labor trustees. Wages are stabilized at low levels.

A shortage of trained workers has been reported and it is said this shortage has contributed to decreased standards of plant efficiency—partly expressed in rising costs and some increase in the number of plant accidents. However, the Government has set up schools where veteran workers help train recruits. Undue competition among employers for services of specific workers is prevented, but at the same time there is an effort to direct the flow of labor to give greatest aid where priority of production has been indicated. Such activities include manufacture of goods which can be exported to advantage for the sake of badly needed foreign exchange, and those which are a part of the rearmament program. At times the large numbers of workers called from production to engage in military maneuvers present real difficulties.

We have so far discussed principally those factors which indicate considerable success for the Four-Year Plan. It is obvious that there are weaknesses and this the authorities do not deny. It is said the army doubts whether the plan will be of economic benefit to Ger-

many in the long run and questions whether it can be carried through on the grand scale which has been announced. "Ersatz" materials for nickel, chromium, tungsten, antimony, tin and titanium are still lacking. Neither the fuel nor the rubber situation has been met with complete satisfaction. The extent to which the army consumed stocks of motor fuels in the August war games is one proof of this.

A problem in agriculture

BUT the agricultural problem seems to present the greatest difficulties. Notwithstanding reclamation projects, there appears to be a net loss in area available for food crops because so many thousands of acres have been diverted to production of oil-bearing seeds, industrial fibers and other non-food crops. With this there is an annual population increase of about 500,000. Foodstuffs for these would normally require harvests from an additional 495,000 acres.

Research has done much to increase yields. Organizations like the Kali Syndicate conduct experiment stations and do their utmost to instruct farmers in applying results. There are changes in food habits and plans for new varieties and crops, but the nutritional hazard remains.

It is likely that domestic production, including animals for food, may reach perhaps 85 per cent of the requirements, but a rising population with limited land resources presents an almost impossible problem. This situation was not helped by the acquisition of Austria. According to an estimate by the German Institute for Business Research, while Germany now produces 81 per cent of her food requirements, Austria has done no better than 76 per cent.

Of course it is possible that success along other lines may release more and more foreign exchange for purchase of human and animal food. This depends largely on the value of German exports and upon the ability and willingness of foreign markets to purchase German goods. Obviously the latter is a factor not within the control of German planned economy. If foreign exchange can be utilized, the food situation will eventually be ameliorated, though it is difficult to see how this would lead to the degree of military independence which many Germans no doubt hope to bring about.

Notwithstanding the policy of secrecy about much of the work, it seems likely that the world will benefit from the by-products of all this scientific endeavor. Blockades have been broken before by science—beginning with development of the sugar beet industry in France when blockades of the Napoleonic Wars deprived the French of imported sugar. But in Germany science is called on to break a self-imposed blockade.

One wonders what the effect on world peace may be if, through the help of science, industry and sacrifice, the Four-Year Plan really succeeds. What will be the effect of a high degree of independence? Will the resulting Germany be less likely to war over raw materials or will it feel strong enough to defy the world again?

• Gives every letter a BOOST!

Meter Mail has its own receiving window at the postoffice, keeps out of the end-of-the-day jam;

—doesn't have to be faced, postmarked or cancelled, can make earlier trains;

—and arrives in better condition!



• Makes every letter boost YOU!

The Meter Stamp proves that yours is a progressive, responsible firm licensed by the U. S. Post Office to print your own postage in your own office;

—and the Postage Meter prints an advertising slogan on your envelope at the time it prints the meter stamp, and at no extra cost!

Saves postage & mailing time!

The Postage Meter displaces the old fashioned stamp. Your postage is sealed in the Postage Meter, set by the postoffice; tamper proof, theft proof, loss proof! The Meter furnishes any denomination required for package or parcel post mailing. Visible dials show the amount of postage used, amount available—make postage accounting accurate and easy. And the Postage Meter seals envelopes swiftly, neatly, efficiently—saves time as well as postage. Models for every office, large or small. Get a demonstration in your office, and learn how thousands of progressive firms profit with the Postage Meter!



PITNEY TRADE MARK BOWES

THE POSTAGE METER Co.

867 Pacific Street, Stamford, Conn.

Branches in principal cities
Consult your telephone directory



Master of ceremonies in a tobacco mart

A COMPARATIVELY new industry is flourishing in the vicinity of Live Oak and Lake City, Florida, where farmers and business men are co-operating to make a success of their tobacco crop. Tobacco was introduced into this section less than a decade ago and there are now two markets in Lake City and six in Live Oak. Last July Lake City staged a week's celebration to celebrate the establishment of their new \$40,000 market—the farthest south of any in the United States. More than 4,000,000 pounds were sold during their first season and two more markets will be built to help handle next season's crop.

The gold leaf tobacco raised in this section between Jacksonville and Tallahassee in the Suwannee River Valley is used principally for cigarettes and fillers. The crop has been successful enough in this area to attract attention from other communities in the state such as St. Augustine and Ocala where experiments in tobacco growing are being conducted.

Tobacco is brought to the warehouse in burlap sheets, weighed and placed on the floor in long rows. Each pile of tobacco is ticketed with its weight and the owner's name. The grower seldom knows what price his tobacco brought until he can get to the price tag after the bid is recorded.

New Acres for Tobacco



PHOTOS BY GROVER C. HENLEY

Three planters are carefully examining the newly sold output of a neighbor's acreage before it is hauled away



The chant of the auctioneer fascinates crowds of visitors



4-H Club members compete with their elders in exhibiting a good grade of leaf tobacco

If the price is too low, he indicates his refusal to sell by turning down the tag. He may then wait until the next sale or move his tobacco to another warehouse and try again.

When the Florida tobacco grower gets his check, statistics indicate that he first pays for the fertilizer, seeds and plants of the year previous. Improvement in his transportation, new clothes and dress materials come next. The final item in his spending schedule is payment of his grocery bill, and purchase of staple supplies for the coming year.—GEORGINA WORTHLEY

Politics—A First Order of Business

(Continued from page 16)

mental function and thus become the government is a political function, so that political activity, that is, "politics," is the process which produces the result in which we are interested.

Business must get into politics. Why? I could go into great length answering this question, but as things stand today, I hardly believe it is necessary. Suffice it to say, then, that today politics plays as important a part in the conduct of industry as any other single factor.

To say that any business, no matter how small, can be run today without regard to what is going on at Washington is to be utterly absurd.

That is why business must get into politics. If this is not enough, I challenge anyone who reads this to ask himself whether he would feel better or worse about his business today and for the future if he and his business associates had some real voice in the affairs of his state and federal Government.

Assuming that it is agreed that business has a vital need to get into politics, how shall it do it?

Business must use new methods

I THINK we must agree that any idea of getting into politics along the lines that were recognized as proper and customary in the old days is out. One of the things that brought about a revulsion against business and one of the reasons why business men have so little influence in politics today is the method by which some businesses interjected themselves into politics in the past. This is not the main reason for the revulsion, but it is undoubtedly one of the reasons. It is also the reason why, when I speak of business getting into politics, I use the word "openly." The moment business, in self-protection, goes openly and avowedly into politics, it immediately refutes accusations of sinister motives which demagogues heap upon it.

But how is business to go into politics? Here is my idea:

Every business of any size is departmentalized. Some department or executive handles public relations. It is my idea that this function and its staff be enlarged to take in participation in the field of politics—that is, government. Participation which I envisage would be direct, active and thorough. It would consist in taking a definite part and, later, a leading part, in selecting candidates for office, starting with candidates for local, municipal and state offices in the localities where the particular business operates and running the gamut up to federal representatives and senators. My emphasis at the outset would be on the lower local and state offices because, generally speaking, this is the source from which later spring the candidates for higher elective offices. In other words, the idea is to start good men at the point of original intake.

The operation which I project, to be effective, must be backed by the influence of potential votes. It is my thought that these votes should be cast by the employees of each particular company. Where the proper relationship exists between them, management can exert a substantial influence on the social and political attitude of its employees. The proper relationship does exist in most instances.

I am not suggesting coercion or over-persuasion. Just the opposite! Management, properly functioning, is in position to and has the duty of enlightening and educating its employees on all matters affecting the welfare of the busi-

ness—hence of necessity, the welfare of employees. Political candidates and issues are today definitely in that category. If a careful, thorough, and sympathetic effort were made, I am persuaded that any business management could direct the votes and the efforts of at least a majority of its employees.

After a fair start has been made along these internal lines, the effort can readily and effectively be broadened to take in other connected and unconnected residents of the communities where the business operates. In numberless communities, two or three business operations constitute the most important single factor in their well-being and growth.

From a Business Man's Scratch Pad . . . No. 31



GO FURNESS PRINCE TO *South America*

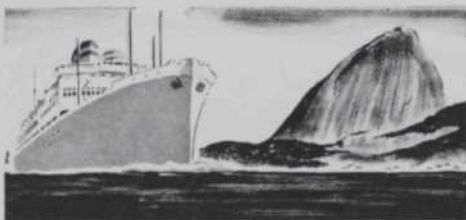
...THE "ROYAL ROUTE"
TO THE BRILLIANT
EAST COAST



**A MAGNIFICENT CRUISE VOYAGE
... WITH FAULTLESS BRITISH
SERVICE AND SEAMANSHIP**

When you add Rio—Santos—Montevideo—Buenos Aires to your travel treasures... choose a ship that reflects the charm of these rich, worldly capitals... with all the luxuries of modern pleasure voyaging—and the superb maritime efficiency and service of British seamanship.

FURNESS PRINCE provides you with such a liner—in any one of the gracious *Four Princes* designed for and regularly serving South America's East Coast.



Aboard the *Eastern Prince*, *Western Prince*, *Southern Prince* or *Northern Prince*, your name on the passenger list assures you of a well-ordered voyage in traditional Furness fashion. Your comfort, your pleasure, are the prime considerations of the alert, capable staff.

Sailings every fortnight from New York, including calls at Pernambuco or Bahia, alternately, southbound and at Bahia and Trinidad northbound. Reservations and literature from your own TRAVEL AGENT or Furness Prince Line, 54 Whitehall Street or 634 Fifth Ave., New York City.



FURNESS Prince LINE

The character of management sets the tempo of the town. I am convinced that these businesses, without necessarily any political partisanship, and with no motive except sound government, could deliver a substantial majority vote in hundreds of communities in favor of any candidate or issue.

Another large group is almost equally interested in the company's continuing welfare. I refer to the stockholders. Millions of people all over the country today own stock in business enterprises. Many of them could not be personally contacted, as could employees, nor would the same sort of close personal relationship exist as a basis upon which to work. Nevertheless, a real identity of interest exists and the diversity of location makes it possible for the company to extend its sphere of influence.

As time went on, these efforts would gather force and size. In a reasonably short time, the voice of the business man would become one of the most potent factors in governmental affairs.

In short, I am suggesting the formation of a pressure group composed of business men and their loyal and enlightened employees and stockholders.

This group would be many times larger than any other such body that has ever existed. It would have as its objective no selfish, special axe to grind, but only the best possible management of civic affairs.

At this point, I am ready for the business man's stock objection. Four or five years ago, sensing vaguely what we had to look forward to, I told a board of directors of which I was a member that the corporation should get openly into politics. I was met with this reply:

Oh, we wouldn't dare do that. We'd be criticized. You know the past history of this sort of thing. No, we must keep as far away from politics as possible.

So, fearful of criticism and shunning politics as a loathsome disease, we have arrived at our present state. If there has ever been a period of greater criticism and stultification of business than in the past four years, it is not known to me.

It seems to me that my thin-skinned business friends have everything to gain and nothing to lose by the program I am suggesting. At least on the score presently under discussion.

Another objection:

It would take too much time. It would cost too much. Let George do it.

What I am advocating is going to take time, plenty of it, and some money. And it can't be done by George. It is going to take Tom, Dick and Harry and a lot of others, plus George, all working unremittingly, to accomplish a real result. But I refuse to believe that any ordinarily successful business man, balancing the expenditure of time and money called for against the benefits to be achieved, will have any doubt as to the answer. Also, it might be worth while to pause a moment to consider how much of the cost in time, money, and worry of the past few years might have been saved if business men had enjoyed a real voice in government.

Yes, we'll be criticized—principally by the professional politicians whose bailiwick we will be invading.

Business methods in government

BUT, if the course of action which I propose is persisted in, I am confident that this country will enter upon a new era of governmental management. The stakes are so high and the result to be achieved so important that I see no basis on which any business man in his own selfish interest, if for no other reason, should hesitate to enter the lists.

One more thought must be added. The validity of the whole movement will depend upon the integrity and good faith of its sponsors and participants and their objective. Selfish individual ends must be actually and patently subordinated to the general good. I am enough of a realist to recognize that this presents inherent difficulties. But I am equally confident that the predominant force in industrial management in this country moves on the same level of civic decency as do the prevailing elements in every other walk of human life.

If business will go into politics promptly, seriously, comprehensively and openly, I predict that the great majority of the social and political headaches from which this country is now suffering will disappear.

Remember, however, that successful salesmanship in politics is achieved just as it is in business, by asking a great many persons to buy your goods a great many days in the year. The necessity for continuous plugging and build-up exists in both fields. You cannot court the voters just on election day and bring home the bacon.

New England Comes Back United

(Continued from page 29)

meeting voted to establish the New England Conference as an annual gathering, with the New England Council as its permanent executive body. John Silsby Lawrence was elected its first president.

At its initial meeting in March, 1926, the Council outlined as its goal:

To increase New England's cash income, employment, taxable wealth, and markets.

Today the general objective remains the same.

The Council has a membership of about

1,800. Included are manufacturers, financial institutions, public utilities, local chambers of commerce, trade associations, service organizations, and many others.

Though the states differ greatly in size and population, each has an equal voice in the Council. In addition to its six state directorate, the Council has various committees, and a small staff of experts. It operates on an annual budget of about \$100,000.

The Council does not tell either the states or their business interests what

they ought to do. It seeks action instead by bringing together groups that have common problems and the power to act. Where pertinent, it lays before these groups the facts as developed by Council research. By invitation of the Council, for example, public health commissioners of the six states were brought together several years to study joint action against infantile paralysis.

The Council arranged a similar meeting of commissioners of agriculture to work out a program of grading, labelling, and cooperative marketing of farm products. It also mobilized the recreational interests to work out a joint advertising and promotional campaign.

The Council early set about two things.

First, to wipe out the spirit of defeatism.

Second, to disabuse outsiders of the notion that New England was economically decadent.

For both objectives it was essential first to find out the real facts about New England. Financed in part by Council funds, the Department of Commerce, in 1929, completed an economic and commercial survey of New England. This survey punctured the old myth that New England is economically dependent on cotton textiles and shoes. It showed that cotton textiles accounted for only seven per cent of New England manufacturing, and shoes less than that.

The survey focussed attention on something even more important. Of the 350 classifications into which manufactured products are divided, about two-thirds are made in New England's 15,000 factories. Here was real industrial diversification.

Through a publicity campaign, the Council then sought to show New Englanders what this diversified industrial structure meant in terms of community income, jobs, tax receipts, and so on. In everyday language it persistently stressed the value of industry, and its \$1,000,000,000 industrial pay roll, to every New England community.

As part of its campaign, the Council, in its early years, wrote a good many letters. When errors or misstatements about New England appeared in print, the editor soon received from the Council, a polite, but well documented letter showing wherein the published statement was wrong. Through the distribution of economic facts and its letters to editors, the Council soon had to its credit two real accomplishments:

First, a better understanding by New Englanders of the resources and assets of the six states.

Second, a new concept of New England elsewhere as a progressive and up-and-coming region.

This was not enough, however. Research revealed that industry, recreation, and agriculture, in the order named were the three biggest income producers. Obviously, a development program must include all three.

Three years ago, the Council established a special Committee on Industrial Development. Plant modernization and expansion, new industries, research for new products, better relations between employers and employees, and be-

"fifty-one thousand pages of testimony...forty cents for repairs!"

Civil District Court

For the Parish of Orleans

New Orleans, La.

New Orleans, La.
March 3rd, 1938

L C Smith & Corona Typewriters Co
Syracuse, New York

Gentlemen:

On December 30th, 1927 I purchased from your New Orleans Branch, L C Smith #8-10 -753,721, which machine has been in continuous use daily in transcribing testimony and court reporting work and during the ten years that this machine has been used I have written approximately Fifty one thousand pages of testimony ranging from two to eight carbon copies per page, without this machine ever having been out of use for any repairs.

During these ten years I have only spent forty cents for repairs and that was to replace a paper finger which I broke in screwing the machine to a desk and not from any defect of the machine, which is still in use and giving me excellent service.

Having seen your recent advertisement pertaining to court reporters using the L C Smith, I thought you might be interested in the history of my machine and my experience with it.

You have my permission to use my letter of March 3rd, 1938, addressed to you, in your advertising in any way you see fit.

Yours very truly.

John J. Sheehan
JOHN J. SHEEHAN
Official Reporter Division "A"

Ask for demonstration of
the sensational new

Super-Speed

LC SMITH

L C SMITH & CORONA TYPEWRITERS INC
SYRACUSE, NEW YORK



For personal typing, try the sensational new CORONA portables
... the "Speedline" and the "Zephyr".



"LOVE AT
FIRST SIGHT"



tween community and industry are goals of this campaign. Through the cooperation of more than 100 chambers of commerce, the Committee launched an aggressive drive for industrial expansion.

It encourages each community to make an inventory of its industrial assets and liabilities. The program includes the removal of factors unfavorable to industry, and a determination of the types of industry that can most profitably operate in each community.

The industrial expansion program has already netted some handsome dividends. After a century of progressive shrinkage, New England's share of the nation's total output of manufactured goods is again increasing.

The building of community good will for industry receives special stress. The Industrial Development Committee recently distributed a questionnaire entitled "Building Good Will for Industry in the New England Community." A few of the questions are:

Do the people of your community know the facts of your company's contributions to its economic growth and progress?

Do officials appear before local groups and organizations to discuss their company's part in the economic life of the community?

Do any of your executives hold office in local chambers of commerce and other organizations?

Does your company make available to local newspapers information about new products; and the methods of insuring to the consumer the quality of your products?

Do you encourage visits to the plant by students, teachers, clergymen, editors, social workers and others?

What do you consider the chief barriers or obstacles to good relations between the industry and the community, and how can these best be overcome?

Better labor relations play an important part in the industrial development program. Stress is laid on the fact that New England has a reserve of skilled and intelligent workers, the result of years of craftsmanship and inherited skill. The Council has promoted plans to fit young persons for industrial jobs, and has prosecuted a vigorous search to find more jobs in New England industry for graduates of Yankee Colleges.

Research has been encouraged

IN THE belief that New England's industrial future depends on the application of research methods in developing new products, new processes, new machinery, and new markets, the Council from the beginning has emphasized the importance of research. It has set the pace by its own fact-finding and research organization. Under auspices of the Council and the New England Engineering Societies, Research Day was held, May 20, in five of the six states. College, professional and plant laboratories were opened to inspection and manufacturers exhibited about 80 new products. Research data indicating possible new lines of manufacturing have been laid before chambers of commerce and individual industrialists.

As part of its industrial development program, the Council has made available several valuable technical services. With the cooperation of Boston Uni-

versity, it has published statistical data for more than 100 New England industrial communities. These have proved of great help to manufacturers seeking new plant locations. Through the efforts of the Council, a master file has been assembled of all vacant manufacturing property with 10,000 or more feet of floor space for sale.

The Index of General Business Activity is another useful aid. Before the Council inaugurated this index, accurate data on New England business conditions was lacking. Of much use also is the "Directory of New England Manufacturers," published with the editorial cooperation of the Council. The "Directory" provides an authentic classification of New England's industries by products, firm name, location and brand.

The Council early discovered that high taxes are a major obstacle to industrial progress. So it launched a drive to organize the taxpayers. As a result, more than 200 community taxpayers' associations have been organized. An offspring of this movement is the powerful Massachusetts Federation of Taxpayers. Through joint action by labor and industry, meeting under Council auspices, Massachusetts industry saved \$4,000,000 by elimination of taxes on machinery. Between 1932 and 1935 the expenses of all political subdivisions in the six states were reduced about \$135,000,000 annually.

As booster for New England as the nation's playground, the Council has played its most publicized rôle. Its researches showed that practically every New England business interest benefits from the recreation dollar and that property in New England used solely for recreation produces \$15,000,000 in tax revenue.

So the Council went to work. It set up the Recreational Development Committee as one of its major working committees. Through research, it found out what factors appealed most to visitors and summer residents. It launched an advertising and promotion drive to woo new visitors. It assisted in the filming of New England movies and encouraged the development of winter sports. It has constantly sought to raise the standards of tourist facilities.

In 1935, the governors and the legislatures of the six states created the New England Governors Joint New England Recreation Advertising Fund of \$100,000 a year. The Council decides how, and where, this money shall be spent. From an intake of about \$60,000,000 in 1910, New England recreation in 1938 has developed into a \$500,000,000 industry. For 1945, the goal is \$1,000,000,000.

Agriculture is New England's number three income producer. Sale of farm products supports 500,000 Yankees. In normal years, New England's 160,000 farms yield a cash income of \$300,000,000. Soon after its organization, the Council's officers discussed agricultural problems with a group of leading agriculturalists. They agreed that New England could not compete successfully with wheat and corn growers. Their best chance lay in dairy and poultry products, fresh fruits, and vegetables, maple syrup, cranberries, potatoes and onions.

In the past, New England farmers

SHIPPERS ADVISE—"DEPEND ON

Kimpak

CREPE
WADDING

REG. U. S. PAT. OFF. & FOREIGN COUNTRIES

TO PROTECT QUALITY MERCHANDISE IN TRANSIT"



FREE! . . . 1938
PORTFOLIO OF KIMPAK®

Learn more about
KIMPAK! Write our
nearest Sales Office
for FREE portfolio of
samples. Please use
your letterhead.



Why do you recommend KIMPAK® for packing quality merchandise?

Because it's soft and resilient—cushions each article against shocks in transit that might damage your products. KIMPAK is free of dirt or grit, too—will not mar expensive finishes.

What proof have you that KIMPAK reduces shipping damage?

Actual results! When we pack with KIMPAK, even our most easily damaged articles reach dealers ready for immediate display—every piece in A-1 condition.

Can you use KIMPAK to pack every type of product?

Yes. Whether you're shipping fragile drug or cosmetic products, or bulky furniture and electrical appliances—there's a convenient size and form of KIMPAK to solve your packing problem.

Is KIMPAK easy to use in the shipping room?

KIMPAK ends all fuss and waste in the shipping room because it's as easy to use as a piece of string. All you do is lay it on or wrap it around the article to be shipped.



KIMBERLY-CLARK CORPORATION, NEENAH, WISCONSIN
Sales Offices: 8 S. Michigan Ave., Chicago 122 E. 42nd St., New York City 510 W. 6th St., Los Angeles

*Reg. U. S. Pat. Office and Foreign Countries

had been handicapped by lack of proper grades for their products. They also faced the competition of highly organized distant growers. With the facts in its possession, the Council drew up the New England Farm Marketing Program. Voluntary uniform grades were laid down and the Council's New England Quality Label appeared. The six legislatures empowered their respective departments of agriculture to protect the grades.

Under the auspices of the Council, agriculturalists from the six states organized the New England Agricultural Conference two years ago. Its aim is to improve marketing methods. One way to put more money into the pocketbooks of farmers is to increase the use of farm products as raw materials. Recently a large New England industry successfully converted hardwood fibers for use in the paper and rayon industries. The New England Farm Chemurgic Committee, recently organized, is seeking other industrial uses for farm products.

A non-political purpose

THOUGH the Council is not a political organization, the governors, for 14 years, have played an important part in shaping its policies. Other public officials have helped.

Whatever their party label, the governors agree on one point:

The prosperity of New England depends on the prosperity of its industries. At Boston, the governors will again sit down with manufacturers, civic organization officers, agriculturalists, and representatives of management and workers, to canvass the economic problems that face New England in 1938.

The Council's success has been mainly due to two things. One is the intelligent leadership of the governors, and the heads of the Council.

Support of "grass roots" New England is the second main reason for the success of the Council's efforts. Basing its program on the principles of private enterprise, individual initiative, and states rights, the Council has hewed to the line of New England's fundamental traditions. It has been able to build, therefore, on a broad foundation of popular support.

In an age of paternalism, an expanding central government, and increasing dependence on Washington, the Council has demonstrated that regional cooperation can be both successful and profitable, and that a region can march forward under its own motive power.

Since 1925, the Council has stressed regional cooperation rather than sectionalism. New England regionalism offers no threat to other sections. In fact other sections stand to gain from New England's increased buying power.

"We do not want to do anything that will in any way injure any other part of the country," Governor Cross of Connecticut told the Council at its fiftieth quarterly meeting at Hartford in April. "We are not setting up in opposition to any section, but New England must stick together, and be kept, as she always has been, on the map of the United States."

Everyone IN YOUR OFFICE WILL WELCOME THIS NEW KIND OF office duplicating!



BECAUSE:

it's so easy to prepare original copy. I just typewrite on a smooth, white DupliMAT, exactly *as on any paper*. I can write, draw, or rule on the same DupliMAT. I can erase and make changes easily. I can have copy ready for duplicating in a jiffy.



BECAUSE:

it takes only a few seconds to attach the one-piece DupliMAT to the Duplicator cylinder. I can use many kinds of standard papers from bond to post-card stock. There's no need to slip-sheet, because the ink is laid *on* the sheet . . . not soaked in.



BECAUSE:

we can turn out, so conveniently, many different kinds of jobs . . . a variety far beyond our old conception of duplicating . . . ruled forms, illustrated communications, fine stationery, promotional pieces in color. Our work is of a higher quality and costs are lower.

There is a Multigraph Sales Agency near you that will be glad to give you additional facts about the method that produces this new, wide-range, low-cost duplicating. You'll find MULTIGRAPH SALES AGENCY listed in principal city phone books. Call them for complete information and a demonstration of this *different* method. Or write to the address below for booklet and specimens of Multigraph Duplicator work.

MULTIGRAPH \$335 DUPLICATOR

CONVENIENT
PAYMENTS

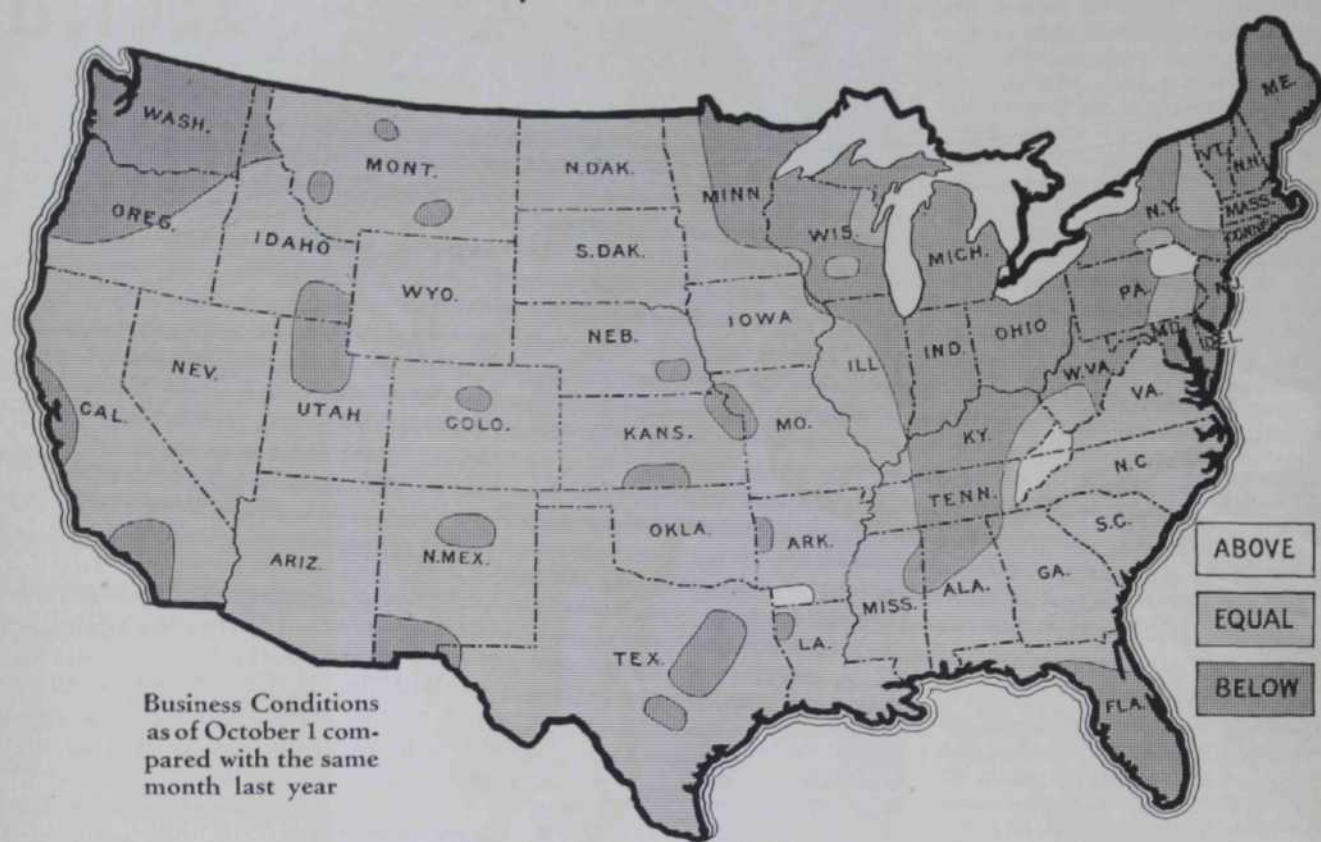
DupliMATs, 12c each in boxes of 50. Lower in quantities. All prices f.o.b. Cleveland. Moderately higher in Canada.



ADDRESSOGRAPH-MULTIGRAPH CORPORATION *Cleveland, O.*
ADDRESSOGRAPH-MULTIGRAPH OF CANADA, LTD., TORONTO
Sales Agencies in Principal Cities

The Map of the Nation's Business

By FRANK GREENE

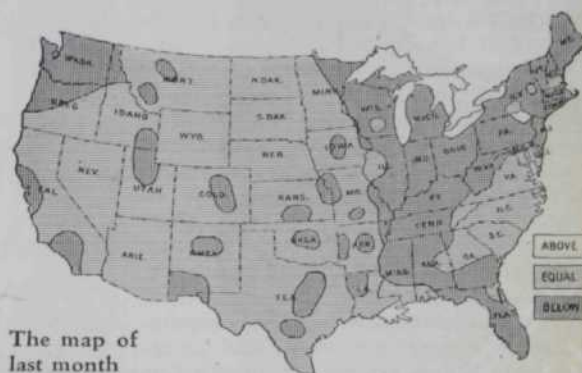


SEPTEMBER saw security and commodity markets disturbed by the European war scare. Security prices dropped to the lowest since late June but recovered all losses on the peace agreement. Gold shipments to this country were the heaviest on record. Foreign currencies fell sharply but rallied. Sensitive war commodities, such as wheat, sugar and non-ferrous metals, were erratic.

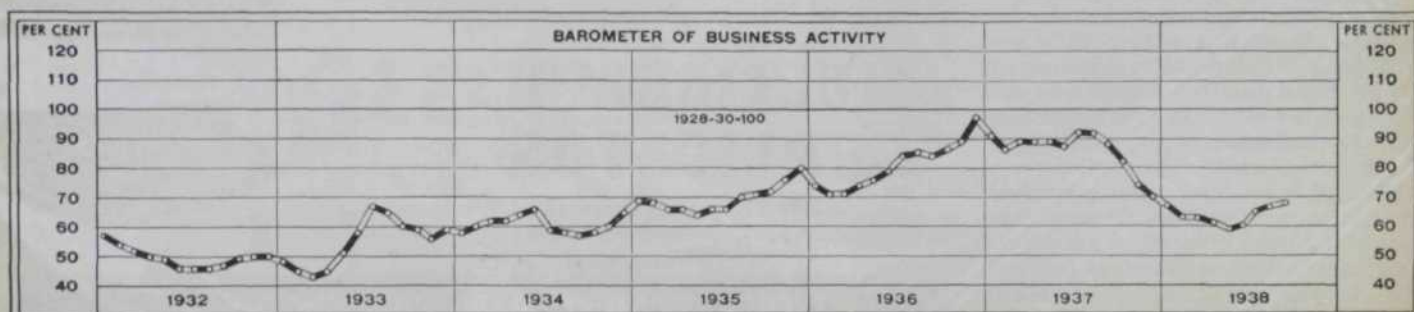
Industrial activity and employment improved generally, except in New England where hurricane and flood damage paralyzed industry. Steel production increased despite lack of rail buying and the auto industry's hesitation. Carloadings rose steadily and railway revenues moved up. Contra-seasonal decline was noted in cotton mill activity but machine tool markets improved. Lumber and glass production increased.

Wholesale and retail trade showed definite improvement. September failures were 48 per cent above last year, while bank debits and bank clearings were 12.6 and 9.7 per cent, respectively, below 1937.

Improvement in trade and industry and better collections are reflected in the lessening of the heavily shaded areas of the Map



The map of last month



The chart for September revealed a further slight rise in business activity with a tendency to level off at the highest point for the year to date

More for your **MONEY** *in the* **ROTO SECTIONS**

In 1937 the roster of outstanding rotogravure advertisers was increased by 112 new names. In the first 6 months of 1938, it was further increased by 67 new names.

Such a rate of growth can mean only one thing; that rotogravure is providing a very real solution to the problems which business is facing. For a report on how it is aiding manufacturers to develop and enthuse dealer organizations, read the letter quoted on the next page.

Kimberly-Clark Corporation
NEW YORK 122 East 42nd Street
Established 1872 • Neenah, Wisconsin
CHICAGO 8 South Michigan Avenue
LOS ANGELES 510 West Sixth

Local MERCHANDISING ON A National Scale

TOLEDO, OHIO

Gentlemen:

We are now able to tell you that it is one of the most workable and efficient sales tools we have so far encountered.

In the past few months orders for more than three-quarters of a million Auto-Lite Spark Plugs can be directly credited to this rotogravure promotion.

I am particularly impressed with the flexibility of rotogravure and the opportunity it presents to do a local merchandising job on a national plan.

Very truly yours,

FANEALON AB



HIGH SPEED PERFORMANCE
The 1987 Dodge pickup is the fastest pickup in its class. With a 0-60 time of 10.9 seconds, it's the only pickup to break the 10-second barrier. And it's the only pickup to come with a 5-speed manual transmission as standard equipment. For more information, call 1-800-4ADODGE.

WHEN THE AGE FOR STAGE PLAYS
Ask for
AUTO-L

HERE'S YOUR AUTO-LITE DEALER

Established 1872 • Neenah, Wisconsin

NEW YORK, 122 East 42nd Street
CHICAGO, 8 South Michigan Avenue
LOS ANGELES, 510 West Sixth Street



Charles F. Robbins

BLANK & STOLLER

Leaders in the March of Business



L. A. Downs and Carl Gray

ACME



Charles J. Stillwell (left)



Edward F. McGrady

ACME

ASSOCIATED NEWS, INC.



Fowler McCormick

CHARLES F. ROBBINS, president, A. G. Spalding & Bros., who announced that his company would eliminate most of its 54 retail stores, discontinue all clothing lines and specialize on athletic goods.

L. A. Downs, president, The Illinois Central Railroad, whose company has ordered 1,000 new box cars costing \$2,700,000 for delivery early next year from the American Car and Foundry Company at St. Louis. The 40-ton cars will be sheathed with steel and lined with wood.

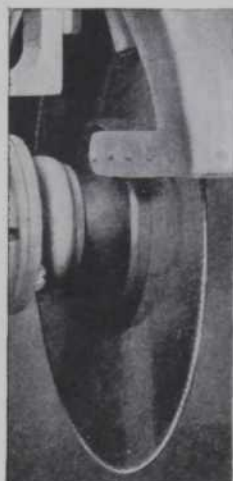
Charles J. Stillwell, vice president Warner & Swazey Company, is demonstrating his company's famous dividing engine to honor guests at the celebration which marked the completion of Warner & Swazey's 50,000th turret lathe. C. W. Deeds (to left of Mr. Stillwell), general manager of Pratt & Whitney, accepted the lathe which will be used in the manufacture of aircraft engines.

Edward F. McGrady, labor relations counsel for the Radio Corporation of America, who received the medal of the American Arbitration Association in recognition of his record in the cause of industrial peace. In his speech of acceptance Mr. McGrady pointed out that more than 100 cases have been submitted and settled by the Voluntary Industrial Arbitration Tribunal in less than 12 months.

Fowler McCormick, vice president in charge of manufacturing of the International Harvester Company, announced that his company had summoned 6,500 employees back to work in tractor plants in Chicago, Milwaukee and Rock Island. He said that efforts would be made to concentrate tractor production in the winter months and sales estimates indicated that expanded production could be maintained well into the spring of 1939.

CUT BRACELETS FROM BOTTLES

with this
Blade!



The Felker Di-Met Blade cuts glass, tile, marble and all non-metallic products with ease and precision—and without wasteful chipping or cracking. Has no projecting teeth—will not shatter. The fastest, most efficient and economical blade ever designed for non-metallic cutting.

Also available are **Felker Di-Met Machines** specifically designed for non-metallic cutting operations. Agents in principal cities.

Write today for literature and prices on Felker Di-Met Blades and Machines.

MUSTO-KEENAN CO.

Exclusive Distributors

Dept. N, 1801 So. Soto

LOS ANGELES, CALIF.



No Business CAN ESCAPE CHANGE

Whether you generate power or buy it, you can profit by the many advances in the generation, transmission and application of power. Your future will be shaped by the new methods, equipment, materials, instruments, tools and supplies exhibited by more than 270 progressive manufacturers at this year's National Power Show. Seeing and understanding the functions of these new developments make it possible to counteract rising costs, to stabilize employment, to hold markets, to safeguard investments. Be sure to attend—and bring your associates.

13TH NATIONAL EXPOSITION

OF POWER AND
MECHANICAL
ENGINEERING

GRAND CENTRAL PALACE
NEW YORK

DEC. 5-10, 1938

Management International Exposition Company

MEMO... for Busy Readers

1 • A whittler protests against handicaps of business 2 • Older men hold their own 3 • A train advertises itself

Fifty Years of Whittling

JOHN Lee Baldwin, dead at 71, made a career of whittling. The exigencies of commerce irked him. His "business" cards bore the boast "Never Worked and Never Will." Duck decoys were a distinctive product of his knife, white pine his favorite medium. Men in position to know said he was one of the foremost practitioners of the vanishing art of "primitive waterfowl carving."

His specialties included mallards, broadbills, black ducks, sheldrakes, Canadian geese, swans and snipe. So prolific did Mr. Baldwin become that he rented a storeroom near his home in Babylon, Long Island, filled it with baskets of carvings. Abercrombie and Fitch, famed New York sporting goods store, once exhibited specimens of his decoys, sold some to hunters. Mr. Baldwin was cool to business possibilities. Prospective customers who called at his shop often went away empty handed because he took a dislike to something about them.

An experience with Government accentuated his resolve to keep clear of commerce. In 1910, dissatisfied with the designs of available boats, he planned what he considered the perfect hull. To get it right he built the 50-foot vessel himself, taking ten years to get it done. When it was at last equipped and afloat he heard with shock of the federal tax on motor boats.

After one ride, he took the engine out of the hull in protest, and had used the boat as an office since, leaving her tied up to a wharf.

In a world in which the exactions of existence still make hard terms with the individual, achievement of economic independence is a matter of curiosity. No secret about this case. Fifty years of whittling were founded on the comfortable fortune Mr. Baldwin inherited from his father—four houses, a store building, two tracts of land.

Fate of Men Over Forty

MEN of 40 or more have been hit no harder by unemployment than has the age group between 15 and 40. Contrary to popular impression, proportion of unemployed 40 or more is not increasing. A normal job ratio between older and younger age groups is still observable.

In 1930, of the almost 49,000,000 persons who were gainfully employed, 29,300,000 or 60 per cent were less than 40.

These 49,000,000 workers constituted 92 per cent of the country's total employables.

Data covering the almost 6,700,000 jobless registered in 1938 with government employment agencies, as analyzed by the Northwestern National Life Insurance Company, reveal 61 per cent of the registrants under 40 years of age; 39 per cent 40 or more. This approximate 60-40 ratio continues from year to year with negligible change. Almost exactly the same proportion of younger men are out of work, in relation to the total number available, as are jobless in older age groups.

In the period from July, 1937, to June, 1938, 71.3 per cent of the jobless applicants absorbed by private industry through government employment agencies were under 40, and 69.8 per cent of the public placements were under 40. This approximately 70-30 division as to placements also runs practically constant from year to year.

A 70-30 division of placements, below and above age 40, is a normal ratio necessary to maintain the normal balance of 60-40 among total unemployed, because the labor supply below age 40 gains at a much more rapid rate than does the older age group.

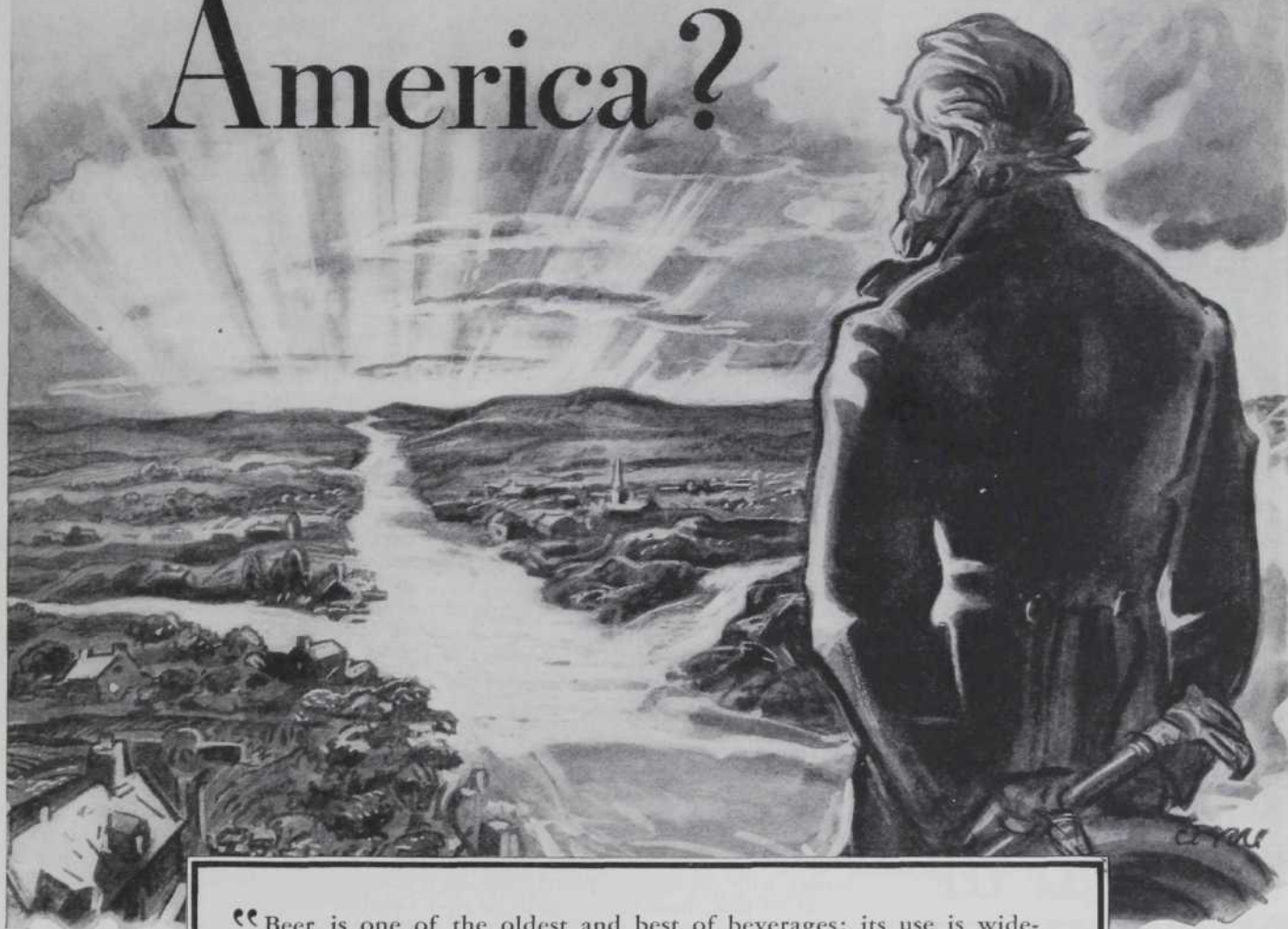
Approximately 2,200,000 persons pass age 21 each year, while only 1,800,000 pass age 40. Death rate per 1,000 in the group from age 40 to 65 is four times that of the age group between ages 15 and 40.

Sales Appeal of a Train

REFLECTION of the good looks of the sleek, streamlined "Hiawatha" in current earnings is fresh evidence that railroad progressiveness pays. Since first operation in 1935, Chicago, Milwaukee & St. Paul's crack train has carried 1,000,000 paying passengers on the Twin City route, average of more than 800 daily. New equipment, built in road's own shops, was put in service September 19. Two sets of equipment in previous use now operate on other runs.

Gross earnings in 1937 amounted to \$3.90 a train mile. Operating costs, including interest, depreciation, and maintenance of equipment but exclusive of proportionate share of track expense, taxes, solicitation and miscellaneous costs were \$1.27 a mile. Indicated net operating revenue was \$2.63 a mile. In 1936 the train had average gross revenue of \$3.62 a mile while net revenue was \$2.46.

Which road, America?



"Beer is one of the oldest and best of beverages; its use is widespread in every land; it is within the reach of every purse . . . The growth of its use in this country is bound to make for general temperance; for there is nothing more promising to combat the evil of too much alcohol than the opportunity of drinking good beer."

IT IS NOT BLINDLY that we of today must choose our path. Many men before us have travelled each of the three roads...the dead-end road to excess, the harsh road of intolerance, the straight road ahead, which is the way of moderation and sobriety.

From time to time we of the Brewers Foundation plan to submit to you, the people of America, the facts about beer. We will show that beer *does* offer the right way . . . that this beverage is *in fact* the bulwark of moderation, according to the verdict of history, the weight of scientific evidence, and the everyday experience of millions.

And in thus uniting to give you these facts (and

also to improve the conditions under which beer is sold at retail) the members of this Foundation believe they will perform a public service of genuine importance—and one which merits your understanding support.

Correspondence is invited from groups and individuals everywhere, interested in maintaining the brewing industry as a bulwark of moderation. Address:



United Brewers Industrial Foundation
21 East 40th Street, New York, N. Y.

IT MEANS A LOT

to an employee's family when
they are able to count on

GROUP INSURANCE

Details to Employers
on request.



THE PRUDENTIAL
INSURANCE COMPANY
OF AMERICA

Home Office: NEWARK, N. J.

SPARE TIME TRAINING that helps you SPEED UP PROSPERITY!

Do you want to speed up prosperity—insure your early and large participation in the new jobs, promotions and salary increases—get fullest benefits from business pick-up? You can do it. For months, individual competition will be tremendous. Employers—up against new problems, fighting for survival and profits—will be able to pick and choose. Naturally they will prefer trained men—men who have special ability to offer. If you wish this advantage, simply check the field of business in which you are interested. We will send full information about the opportunities in that field, tell how our complete success-building program helps you plan your future, trains you in your spare time, and works with you all through your career. Send the coupon NOW.

LASALLE EXTENSION UNIVERSITY A Correspondence Institution

Dept. 11374-R Chicago

Please tell me—without cost or obligation—about your plan to help me insure and speed up my prosperity, in the business field I have checked.

- | | |
|--|---|
| <input type="checkbox"/> Business Management | <input type="checkbox"/> Modern Business Correspondence |
| <input type="checkbox"/> Higher Accountancy | <input type="checkbox"/> Expert Bookkeeping |
| <input type="checkbox"/> Traffic Management | <input type="checkbox"/> Modern Salesmanship |
| <input type="checkbox"/> Law: Degree of LL.B. | <input type="checkbox"/> Business English |
| <input type="checkbox"/> Commercial Law | <input type="checkbox"/> Effective Speaking |
| <input type="checkbox"/> Industrial Management | <input type="checkbox"/> C. P. A. Coaching |
| <input type="checkbox"/> Modern Foremanship | |

Name _____

Address _____

Town _____ State _____

Management Seeks the Golden Mean

(Continued from page 46)

president of the Bell Telephone Company of New Jersey, is to make its own business an economic success. One of its toughest jobs, he added, was to convince academic minds that the difficulties and complexities of management are vastly greater than they ever have conceived.

Basic truths are unchanging

BUT an academic man, Dr. Henry C. Link, head of the Psychological Corporation, was one of those who came most strongly to the defense of private initiative against social upheaval through state intervention. Dr. Link deplored the pragmatic philosophy of the day which, under the guise of evolutionary change, is attacking nearly every basic truth of economics and morals. Change is eternal, he said, but underneath the thin surface of things are unchanging realities.

To President George H. Davis of the National Chamber, who greeted the delegates as their host, this is "a world whose economics and politics seem to have become entangled in spider webs of confusion." In such a world men of business may agree on general aims but disagree sharply on methods for their attainment.

Strangely familiar to Americans, in theory if not fully in practice, sounded the doctrine expounded by George Seebauer, president of the German Board of Efficiency and a leading Congress spokesman for National Socialism in Germany. To Herr Seebauer, all that has been done in his country is aimed at those "great ideals for the social life of mankind which many have sought to square with democratic principles." He admitted that there is always to be expected a gap between aim and deed.

The aims of the German Reich, he said, include such familiar socialistic features as provision by the state of work for every able-bodied man, the safeguarding and improving by the state of working conditions, and the protection of the workman and his family against sickness and old age—again by the state. Economic policy must be rationalized, he declared—that is, identified with social policy.

The leading contribution of British visitors to the discussions was an exposition of their labor policy, well known for its achievements in industrial peace. R. Lloyd Roberts of London strongly emphasized Britain's policy of "self-discipline through voluntary trial and error." Compulsion is anathema to the British, he said. Rectitude cannot be imposed by decree. State intervention is always political intervention and politics has no place in an enlightened labor policy.

Another attempt to reconcile two clashing ideals was made in a notable paper on "The Balancing of Incentive and Security" by Ralph E. Flanders, president of the Jones and Lamson Machine Company. Charles R. Hook, head

of the American Rolling Mills, a previous speaker, had characterized the American economic set-up as "the incentive system." Security, of course, is considered by critics of that system to be the greatest good in life. Said Mr. Flanders:

Emphasis by the labor unions on security at the sacrifice of incentive has forced industry to operate at such a low state of output that, although a few earn more, large numbers of workers are needlessly unemployed. Thus, both security and incentive are imperiled. Between the social worker pursuing a fixed idea about security and the politician who has found the promise of security an easy road to power, some degree of momentary security may be reached, but on a very low level.

Security is a much easier thing to provide on a temporary and spectacular basis than is the much more fundamental achievement of a raised standard of living. There is no long-time security without incentive and initiative.

The Congress wrestled to reconcile two widely divergent views of the function of science in management. The scientific executive who loses himself among his charts and statistics until they become an end and aim instead of tools was contrasted with the empirical mind in business—the man who decides questions of importance on a hunch. Perhaps the latter generalizes about consumers on the basis of what his wife heard at her bridge club.

More information needed

GREAT possibilities for precise measurement of cause and effect in business were suggested by Dr. Theodore Brown of Harvard University. But so many intangible factors enter into distribution problems that a careful balancing of the two methods—experience and judgment vs. measurement—was considered highly desirable. While great progress has been made in market research, both the statistician and the psychologist (Dr. Brown and Dr. Link) agreed that uncommon common sense is necessary in interpreting and applying the results. Henry G. Weaver of General Motors summed up the question when he said that sometimes a single letter from a consumer will afford more guidance as to what people want in a product than a sampling of opinion among 100,000 persons. He held that both methods are necessary in getting at the facts.

One who tried to distill the essence of some 200 papers and innumerable extemporaneous remarks delivered at the Congress probably would start by remarking the very introspective nature of the discussions. Those representing industry, agriculture and even home-making all analyzed the faults as well as the strength of their calling. They placed their policies and practices under the microscope of science. They pooled the experience of 24 nations and found that science had discovered some new facts that they could use.

Shake Hands with Our Contributors

John S. Brookes, Jr., is a lawyer practising in Washington, D. C. He is a member of the board of directors of several industrial concerns and served for 15 years as general counsel and secretary of the Koppers Company of Pittsburgh.

Herbert H. Hillshire covered more than 11,000 miles in Alaska last summer. His father went to the Klondike in 1897 and the son has made 34 trips to Alaska since 1903. He was advertising manager for the Dollar Steamship Lines for many years and before that was a correspondent for the *Christian Science Monitor* in Tokyo. He was deported from Japan for obtaining stories from Japanese admirals which too frankly prophesied Nippon's present militaristic policies.

Kenneth Miller is a consultant to the Life Insurance Sales Research Bureau and former chairman of publicity for the National Committee for Life Insurance Education.

Louis Stark is a labor news specialist on the staff of the *New York Times*.

George C. Smith is assistant to the president of the M. K. T. Railroad. He was formerly in charge of industrial development work for the Baltimore Association of Commerce and the St. Louis Chamber of Commerce and was one of the founders of the Industrial Development Council.

Mark L. Haas is art editor of the *American Boy*, a magazine which is attempting to nationalize six-man football.

Oliver McKee, Jr., is Washington correspondent for the *Boston Evening Transcript*.

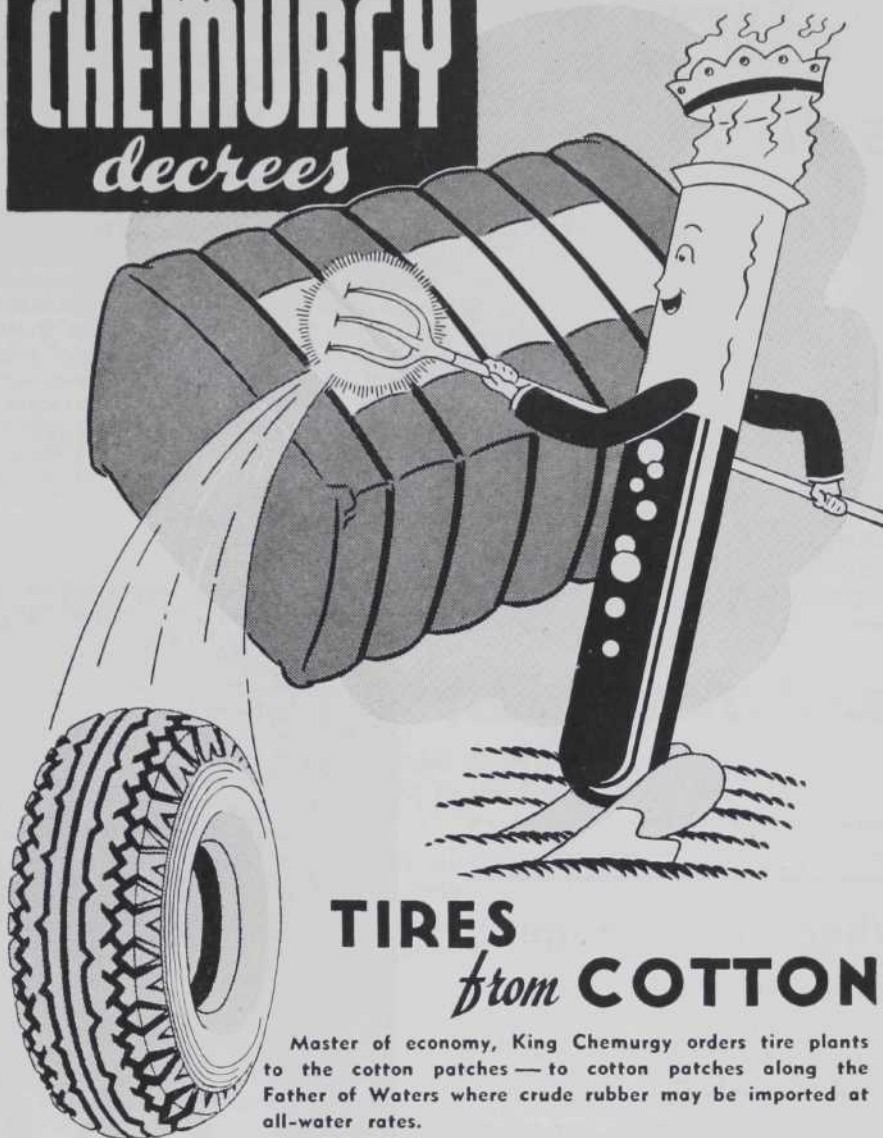
Coming Next Month:

Herbert Corey will tell what congressional committees do during adjournment periods and how the information provided to them through hearings is used as a basis for future legislation.

Erwin H. Schell will reveal what qualities a young man needs for future success. He assembled the information from letters submitted by present-day executives, educators and business men.

Charles M. Hackett, a research engineer, will tell what the chemical industry is doing to find new ways for using coal.

KING CHEMURGY *decrees*



TIRES *from* COTTON

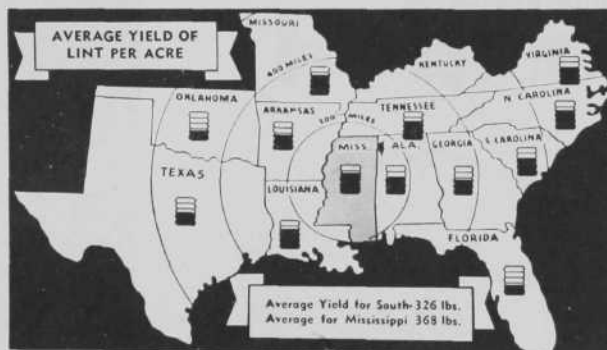
Master of economy, King Chemurgy orders tire plants to the cotton patches—to cotton patches along the Father of Waters where crude rubber may be imported at all-water rates.

Producing 68 per cent of all U. S. cotton of staple lengths 13-16 and upward, Mississippi offers to tire makers a haven of efficient production.

Her yield per acre is highest among major cotton growing states. Untenderability is less than five per cent.

To an industry destined to make major news with announcements of new plants in new locations, King Chemurgy answers, "Mississippi."

You will be interested in "The Realm of King Chemurgy," the graphically illustrated story of a state where agriculture plus science spells industrial opportunity. Write for your copy now.



MISSISSIPPI INDUSTRIAL COMMISSION
A DEPARTMENT OF THE STATE OF MISSISSIPPI - JACKSON, MISS.

FACTORING SERVICE

should combine these

3 basic advantages

SALES • CREDITS • MONEY

WE are prepared, through our Business Extension Department, to devise and execute methods for *increasing your sales*. This is in addition to our regular factoring services, which include the absorption of credit losses and the reinforcement of working funds, without division of control or expansion of capital structure.

Inquiries are cordially invited

James Talcott, Inc.

1854 • *Factors* • 1938

225 FOURTH AVENUE, NEW YORK CITY

BOSTON LOS ANGELES MONTREAL LONDON

When You Change Your Address

**... please notify us
promptly**

Your copies of *Nation's Business* will then reach you without delay and without interruption.

NATION'S BUSINESS

1615 H Street, N.W. Washington, D. C.

**YOUR KEY TO
COMFORT**



9th and WASHINGTON

50% OF ALL ROOMS \$3.50 OR LESS, SINGLE
\$5.00 OR LESS, DOUBLE

Cooperation Replaces Guess Work

(Continued from page 20)

been tested, ten were found to have the greatest predictive value.

In the companies which use this selection plan, a prospective salesman is scored on these factors. These scores are converted into ratings which can be interpreted in terms of probability of success. Five ratings are used: Excellent, Very Good, Good, Fair, and Poor. It is now known that prospective salesmen who rate as "Excellent" tend to produce much more business and are more likely to remain in the business than those with lower ratings. The chances of success for such prospective salesmen are high in comparison with the average. Similarly, a rating of "Poor" means that, although a prospective salesman might succeed, the chances are much against him.

What can be accomplished with such

a selection plan? Many test checks have been made since the plan was developed. One such test, covering 2,317 salesmen, showed that salesmen with the "Excellent" rating produce about 2½ times as much business as do those with the "Poor" ratings in their first two years in the business. When both the factors of production and turnover are considered, the "Excellent" group will produce about five or six times as much as will the "Poor" group.

The Life Insurance Sales Research Bureau is an outgrowth of an earlier experiment in cooperative effort known as the Bureau of Personnel Research, a part of the Division of Cooperative Research of the Carnegie Institute of Technology. This organization, begun in 1916 with the support of many well known national sales organizations, carried on some highly interesting investi-



The greatest competition of every business comes not from other members of the same industry but from other industries

gations in the next six years, largely in the field of sales personnel. Several life insurance companies were among its supporting members. In 1920, these companies, convinced of the value of cooperative research but feeling that progress was impeded by the diversified problems resulting from the varied membership, started promoting the idea of a similar bureau devoted entirely to their special problems.

Although the interest was strong, only 13 companies were ready to give support when the Life Insurance Sales Research Bureau was organized. However, with the support of these companies and a budget of something more than \$7,000, the Bureau began its work of "facilitating the interchange of information, compiling statistics relating to the distribution of life insurance, and conducting research to discover how the agency department (sales department) of its companies might improve their function."

Many companies joined study

MEMBERSHIP increased slowly at first but rapidly later. By the end of 1923 it had grown to 71; by December, 1926, it had increased to 100; now there are 119 member companies—90 in the United States, 17 in Canada, and 12 classed as associate members in non-English-speaking countries. This growth in membership was accompanied by two changes in location of the Bureau office which brought it finally to its present location in Hartford. It was also accompanied by an expanding service, both as to the variety of the problems attacked and in the methods of making its activities helpful to member companies.

From the meager staff at the beginning—two full time men and two part time assistants—the personnel has now grown to 42.

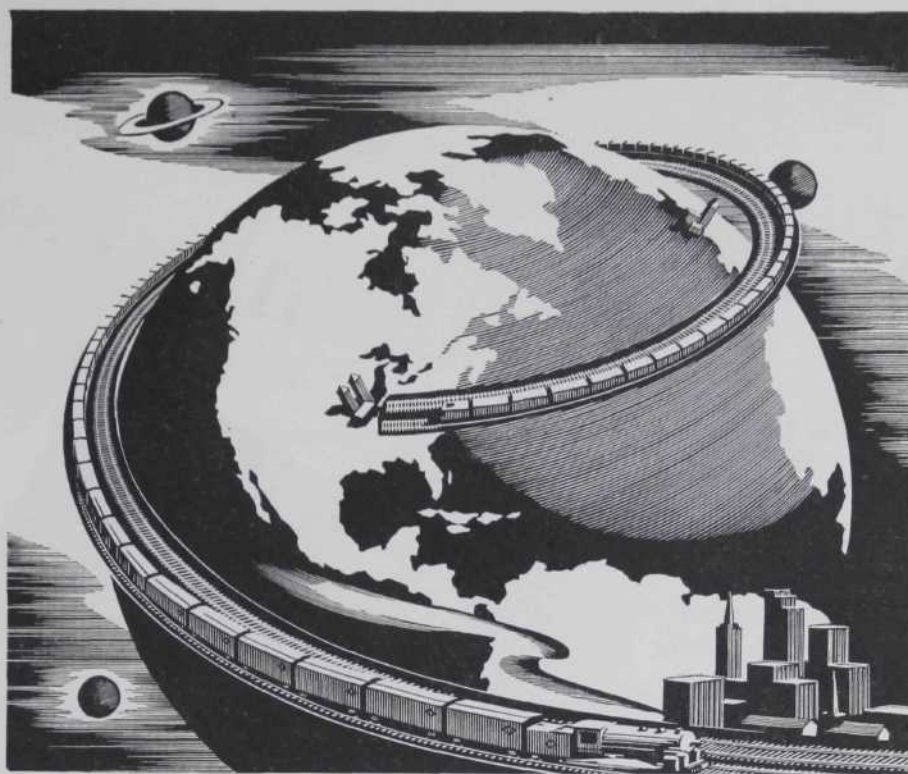
The marketing problems of life insurance are not significantly different from those of any other business. Perhaps it is more difficult to recruit new salesmen, partly because of prejudice and partly because of a lack of understanding of earning possibilities in the sale of life insurance. After new salesmen are recruited it is difficult to get them into the production of business early enough to provide a quick and even flow of adequate income.

Another phase of this cooperative search for facts has dealt with the market for life insurance.

How much life insurance was sold in Iowa last month? How did that compare with the same month last year? How is the business running for the year to date compared with the same period last year? How do your company's figures compare with those of the business as a whole?

Sixteen years ago, if you had asked a life insurance sales executive these questions he would have had to answer, "I don't know." Today he could answer you something like this:

Last month about \$11,000,000 of ordinary insurance was sold in Iowa. This was about 92 per cent of the amount sold in Iowa in the same month last year. For the year to date the total ordinary sales of all life insurance companies operating



The Railroad that Girdles the Globe

The super-service that's made Erie "First in Freight" is not confined to the limits of the Erie tracks, Mr. Shipper. Nor is it confined to the United States.

Erie service girdles the globe! Whether you're exporting or importing, there's an Erie agent in important foreign cities to assure safe handling and fast delivery of your goods at lowest possible cost.

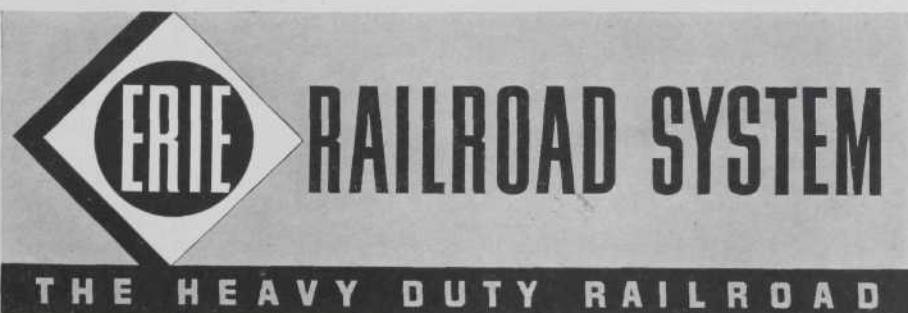
To facilitate transfer of your outgoing or incoming freight Erie maintains a huge fleet of barges, tugs, and lighters in New York harbor. From train to boat or vice versa, your freight is moved swiftly and efficiently by modern handling equipment under the direction of skilled operators.

Let us simplify for you the complications that often accompany transatlantic shipping. Let Erie handle *every* detail—from ship to shipping room. You'll save time, money, and confusion—on imports as well as exports.

Travel the Scenic Erie

... between New York, Binghamton, Elmira, Buffalo, Chautauqua Lake, Youngstown, Cleveland, Akron, Chicago

AIR-CONDITIONED TRAINS • EXCELLENT MEALS
FINEST SERVICE • LOWEST FARES



**You've got me wrong—
you pay them!**

THE businessman pictured here is talking about taxes—government costs.

Is he complaining because he has to pay them?

Nope! He's complaining because he has to *collect*, or try to collect, most of them from *you*—in the prices charged *you*.

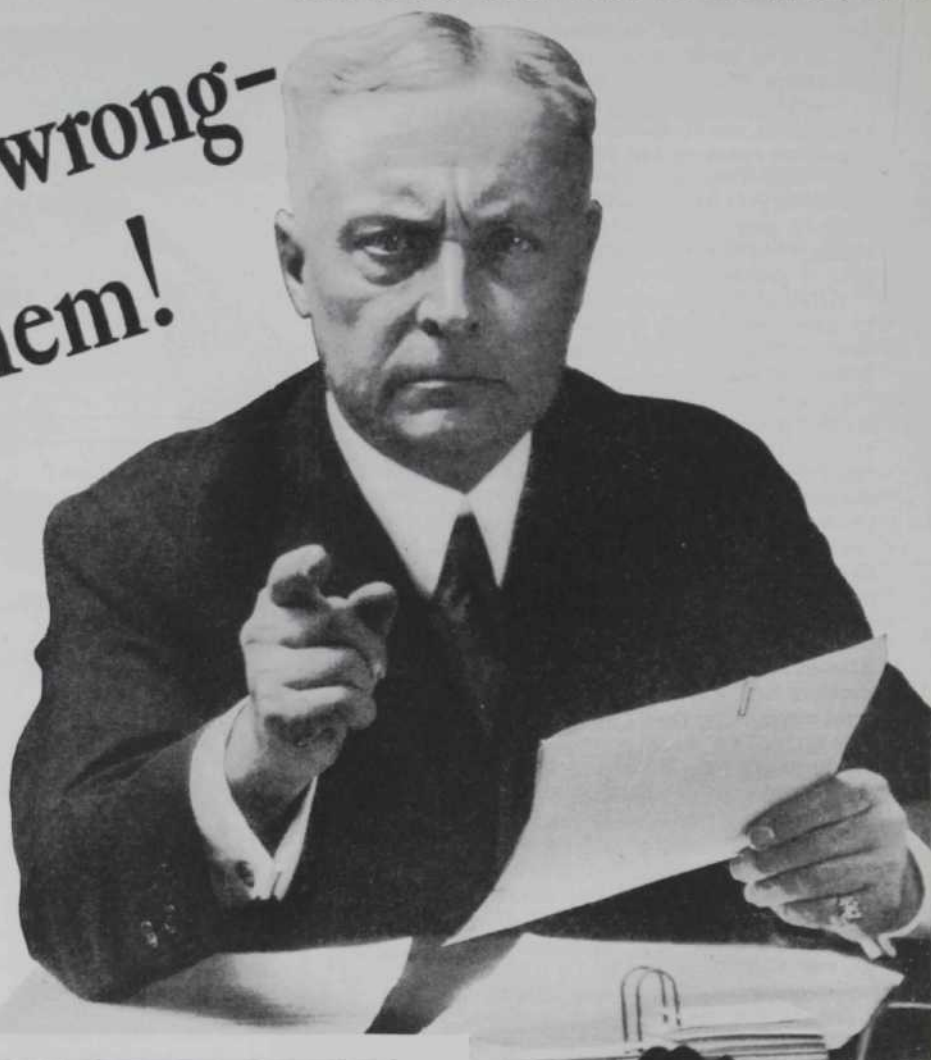
Businessmen are against mounting government costs because they increase taxes. The treasury has no money except what comes out of the taxpayers' pockets. More burden of costs heaped upon consumers and upon enterprise means lessened business operations and fewer jobs. The fewer employed, the heavier the taxes to support the rest.

The *whole people must pay* the increased costs of government—the wage and salary earner as well as the business partner, and the *man without a job*.

The businessman would sing a different tune if these taxes were necessary to care for the needy. He has a heart, too.

But the fact is—only \$1 out of \$6 actually is spent on account of the needy today.

A big share of government costs is represented by more than 3½ million government employes *not* on relief rolls—who man an army of bureaus, many of which grind out rules, regulations and edicts which affect not businessmen alone but farmers, wage earners and consumers. They are busy policing, prying, restricting—on *your* money.



You Pay Hidden Taxes

Because the tax collector does not knock at the door it does not follow that no taxes are paid. For example:

The telephone bills paid in 1937 concealed an average of \$9.91 in taxes.

One-sixth of the electric light bills went for taxes.

The sales slip for a cotton dress covered 125 taxes.

Fifty-two taxes were included in the price of a loaf of bread.

A pair of overalls carried 148 taxes.

• • •

Government costs equal \$28 for every \$100 of income (more in case of *earnings*) of every man, woman and child—\$22 down payment and \$6 deferred.

If you want to see better times return on a sound basis—if you want to see employment increase, factories busy, retail stores full of customers—you have a vital interest in seeing the country cut loose from the ball and chain of excessive government costs.

That's another way of saying, it's about time to help business. *What helps business helps you!*



This message is published by

NATION'S BUSINESS

It is the 27th of a series contributed toward a better understanding of the American system of free enterprise.

If you are willing to cooperate in bringing about a better understanding of business, we are prepared to supply, upon request, copies in poster size for bulletin boards, and in leaflet form for distribution. Mats for newspaper use and electros for house organs are available. Write NATION'S BUSINESS, WASHINGTON, D. C.

in the United States are about 90 per cent of the total sales for this period last year. In our own company, our business is about 98 per cent of last year's sales, so that we are running a bit above the industry as a whole.

What happened in this interim of 16 years? Only a simple operation whereby the life insurance companies each month send to the Research Bureau a record of their sales of ordinary life insurance in each state and province of Canada. These records are combined into a grand total for each state and province and related to the same month a year ago; and accumulative figures for the year to date are related to the same period of the previous year.

The point is that all life insurance sales executives today know the conditions of business in each territory, and can commend or stimulate their own sales organization in the light of those facts.

Before the Life Insurance Sales Research Bureau was founded, only guesswork could govern the location of local agencies or afford a measure of the potential value of a given territory. One of the Bureau's earliest projects was to develop a yardstick against which to measure the life insurance buying power of a state, a county or a group of counties. Today, a life insurance sales executive and his local managers know the relative buying power of each county in the United States.

For instance, they know that Cook County, Ill., has 60.20 per cent of the total life insurance buying power in Illinois. They know, too, that it provides 4.502 per cent of the total life insurance buying power for the United States. These figures are based upon six significant factors and are revised periodically. Together with the Monthly Sales Surveys, they are useful in determining territorial policies, location of local agencies, and the results to be expected from these local units of distribution.

Facts make selling easier

TWENTY years ago a life insurance salesman had to be more than ordinarily resourceful to succeed because there were no facts to tell him who his prospects were; who was buying life insurance; what sales appeal was most effective. Not only was he totally unaware of his potential market, but much of his sales effort turned out to be ultimately unprofitable to the policyholders, to his company, and to himself. Today life insurance salesmen and sales managers have at their disposal the nucleus of important facts about their market and about the buyer of life insurance.

For instance, the Life Insurance Sales Research Bureau recently analyzed 20,000 sales of ordinary life insurance which represented about nine per cent of all the sales made by 125 companies in 32 states in a recent month. Some of the questions of interest to a life insurance sales manager which this survey answered were:

What portion of today's sales are being made to women?

How many of today's sales are being made to persons under 30 years?

What proportion of sales are being made to persons who own no other ordinary life insurance?

How popular are certain policies today?

Here are some of the answers:

A quarter of all buyers of ordinary insurance today are women.

Fifty-two per cent of the people buying ordinary life insurance are under 30.

Forty-eight per cent of the buyers are married men who account for 64 per cent of the volume.

Sixty-five per cent of the applicants in this particular study owned no other ordinary life insurance at the time they were applying for this policy!

Selling is better planned

PERHAPS you may wonder how a sales executive can use such data. He may use it, for example, to help uncover a section of the market which the company is not now reaching. Such data aids in allocating advertising coverage. It suggests material for stimulating the sales organization. It suggests possible changes in training and sales strategy.

These are but a few of the facts which are making it possible for life insurance companies to increase their service to the public with no increase in sales cost. True it is that cost of life insurance has increased in the past several years, but this increase has been due to economic conditions which resulted in lowered interest earnings, a condition over which the companies had no control.

Since investment returns are only one factor in setting the cost of life insurance, it seems fair to say that, without cooperative sales research, you and I would have to pay more for our life insurance today.

These are but a few examples of what can be accomplished by cooperative sales research. There are many others which could be enumerated. They illustrate a trend which was mentioned in NATION'S BUSINESS ten years ago:

Tremendous changes are taking place in our business life. A peaceful revolution as dramatic as the Industrial Revolution of the early nineteenth century is under way. Great economic currents are driving new channels; a new day presents a new business landscape. The great new force is group endeavor. Individual business and industrial units no longer rely on their own efforts alone. They are pooling their resources with others in group activity. Business men are fighting for new markets and a larger share of consumers' dollars through trade cooperation.

Well may you ask, "What caused this?" Don't you think it is largely because business men are beginning to understand that their most difficult competition is not with different units of the same business? It makes no difference what business you are in; your competition is not so much with the other members of your industry as with other industries which are seeking a larger share of the consumer's dollar. Cooperative sales research using research and cooperation can help you and other members of your business to make sure that you are getting your share.

Research to get the facts—cooperation to broaden their base.

The EGRY SPEED-FEED

saves 50%... and more
in typewriting multiple
copy Business Forms

Such is the almost unbelievable performance of the EgrY Speed-Feed, the amazing attachment that daily saves money for thousands of businesses. Converts any typewriter into a practical billing machine in one minute without change in typewriter construction or operation, or interfering with its use for correspondence. Automatically interleaves and removes carbons; makes all time of operator productive. Speeds up output 50% or more, and gets all important forms into the mails on time! Eliminates costly one-time carbons, loose or padded forms and carbons and other wasteful methods, yet the Speed-Feed costs less than 2c per day for only one year!

For Handwritten Records EGRY TRU-PAK

The World's
Finest Register



Seven sizes, electrical or manual operation; also cash drawer models.

Complete control and protection are assured by means of private audit copies automatically filed under lock and key at time transactions are recorded. EgrY Registers also include Handipak (portable) and Com-Pak (heavy duty) to meet every requirement.

SEND FOR INFORMATION

Literature on EgrY Business Systems on request. Address Dept. NB-11. Demonstrations arranged without cost or obligation.

THE EGRY REGISTER CO., Dayton, Ohio
Sales agencies in all principal cities

EGRY BUSINESS SYSTEMS

SOUTH AFRICA



CAMPS BAY,
a Charming Cape Resort.

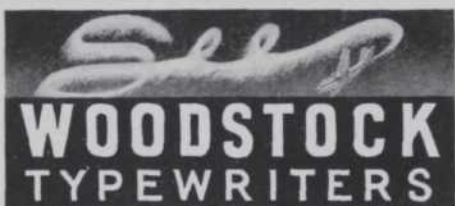
In a world of wars and economic disturbance, sunny South Africa, the bright end of the "Dark Continent," is peaceful and prosperous, and welcomes tourists and traders with charming hospitality!

South Africa's wealth of marvelous sights and commercial opportunity are richly worthy a tour of inspection for business or pleasure. American travelers and American goods enjoy high favor.

For a profitable market and splendid sightseeing in a glorious climate, visit

SOUTH AFRICA

"The most interesting travel land"
Full information from any leading tourist or travel agency.



MY FINEST CALIFORNIA FRUITS SENT ON APPROVAL EXPRESS PREPAID

Packed in 2 Redwood Boxes DELICIOUS SUN-RIPE FRUITS

10 lbs. { 2 1/2 lbs. LARGE WHITE FIGS
2 1/2 lbs. CALIFORNIA DATES
2 1/2 lbs. MAMMOTH PRUNES
2 1/2 lbs. WHITE RAISINS

\$3.00
Express Paid

Canoga Farms, R.F.D. 20, Encino, Calif.

Gentlemen, kindly send me your special TEN POUND assortment of SUN-RIPE fruits all charges prepaid. If after sampling the fruits I am not entirely satisfied I will return the rest to you at your expense, or I will send you the \$3.00 by return mail.

Name _____
Address _____
City _____ State _____
Bank or other reference _____

If you wish to send check with order I will include a sample of my delicious DATE-NUTS.

The Fair-Labor Standard-Bearer

(Continued from page 21)

merce Mr. Andrews stepped into the Compensation Insurance Rating Board in New York and later was placed in charge of the Compensation Insurance Department of the Maryland Casualty Co. His knowledge of the workmen's compensation field qualified him for the post of Deputy Industrial Commissioner of New York State in 1929. In 1933 he was labor adviser of the first National Labor Board and helped straighten out NRA labor troubles in the coal industry of Pennsylvania and Kentucky.

In his five years of observation from his New York State vantage point as chief of the Labor Department Mr. Andrews familiarized himself with problems of minimum wages, workmen's compensation, labor and social legislation of many varieties and, above all, with the actual conditions of labor and industry in his state.

For one thing he observed the fallacy of one state forging so far ahead of others in labor and social legislation as to handicap its industries in a competitive market. For several years he labored for interstate compacts in the hope that gradually an equivalent of federal legislation might link up the whole nation and thus advance, more or less simultaneously, all areas. Sharp competitive conditions negated his hopes that uniformity of standards might be attained in this way and he stopped fishing down that creek.

Helped improve wages

THE experience he obtained in thus seeking for a practical way of reaching uniform legislation threw the State Industrial Commissioner into many interesting by-ways of administration. After the New York State minimum wage law was enacted, he helped guide the laundry industry through the step-by-step process which finally resulted in the order establishing \$12.40 as a fair minimum wage for this group. To do so he called into conference the business men who ran the industry.

Of course he had the assistance of statistics and facts gathered by investigators but his technique was to introduce them only when necessary and to rely on the gradual development of the wage minimum through a voluntary approach by the industry itself.

Those meetings were not pink tea affairs. Many laundry owners felt they would be ruined if minimums were raised. One declared that he would turn the key of his plant over to the Labor Commissioner if a higher wage was fixed. On that occasion Mr. Andrews quietly suggested that his secretary "take the gentleman's key." The recalcitrant laundry man joined in the laugh that followed.

Essentially a realist when it comes to installing new legislative and administrative devices that affect industry, Mr. Andrews is always deeply concerned

with the process of adjustment required under the new dispensation. When the hue and cry over silicosis arose in New York State some people demanded immediate application of the workmen's compensation law respecting silicosis to all occupations. Mr. Andrews, by a series of conferences, worked out the problem to the satisfaction of all groups.

As soon as Mr. Andrews opened his Washington office, he made it plain that he had no intention of building up a federal bureaucracy to enforce the new Act's provisions. He plans to have a skeleton enforcement division and rely, in the main, upon the state labor commissioners for enforcement and upon the Bureau of Labor Statistics for facts. The Bureau, incidentally, was ready with some important preliminary figures when he arrived in Washington.

"I see no reason," he says, "for duplicating any efficient, established service. We will have plenty to do without going into fields that have already been well explored."

By his careful, preliminary handling of the problem involved in naming his first industry committee for the textile industry, Mr. Andrews indicated what his method would be. He placed a business man, Donald Nelson of Sears, Roebuck & Co., as chairman of the public group. An unimaginative bureaucrat might well have felt that the business man's place was among the employers. The public reaction to this and to the other appointments to the textile committee was one of approval. It was also considered significant that Mr. Andrews refrained from naming among the business representatives a spokesman for a trade association. He prefers, when he can, to have on the industry boards men directly engaged in business but he is always eager to confer with the trade association executives because he values their viewpoints.

Of the five labor representatives on the Textile Industry Committee, three represent the C.I.O. and two the A.F. of L. On the pleas that the Textile Workers Organizing Committee (TWOC), affiliated with the C.I.O., was the dominant union in the field, the TWOC had sought to have all the labor members. Mr. Andrews resisted.

In view of the fact that Congress placed the Division of Wages and Hours in the Labor Department many people had assumed that the Administrator would be guided by the set-up prevailing under Secretary Perkins, particularly that he would use the Department's information and personnel service. It had also been expected in some quarters, inasmuch as the Administrator had been in New York State, in a sense, a protégé of the Labor Secretary, that he would take as his general counsel a department attorney who had followed the Act through Congress and had been of considerable assistance on the drafting side.

Mr. Andrews let it be known that he would "run his own show." That was

what he told the President and so far as anybody knows his decision had presidential approval. So that Mr. Andrews began his incumbency by setting up his own information service. He is a strong believer in public cooperation and under Harold Jacobs, former United Press editor, he is creating a staff to keep the public, industry and labor informed on the work of his organization.

Having taken an "independent" line, Mr. Andrews won away from Harvard Law School for a year, Calvert Magruder, who was counsel to the first Wagner Labor Board. Mr. Magruder's first job was to give industry an outline of the kinds of business which were covered by the Act and those not covered.

A problem of administration

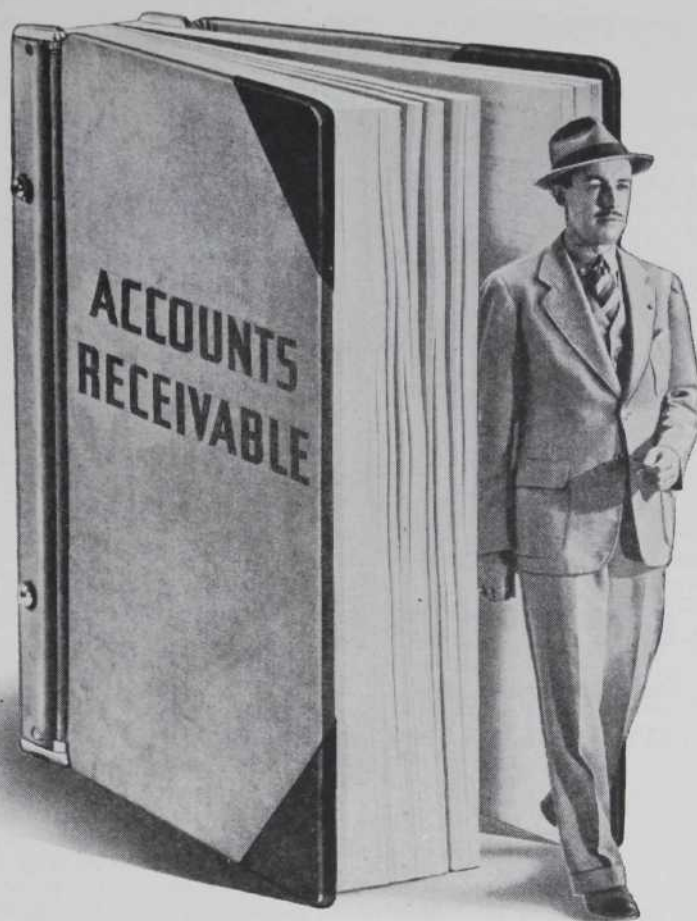
"CONGRESS has given us what might be called a Better Business Act," he continues. "We must administer it with fairness and justice to all. In carrying out the mandate to form industry committees which will recommend wages higher than the statutory 25 cents minimum but not above 40 cents an hour, we will consult all shades of opinion and spokesmen for all groups. It is my hope to have all industry committees representative of as large segments of industry as possible.

"We have the example of the N.R.A. before us and we know that we must approach our goal by a series of steps. We cannot expect perfection in one day. I hope we may be able to administer the Act so that there will be no criticism that the Government is interfering in business. Everybody will be given an opportunity to have his say before final decisions are made."

True to his expressed intention, Mr. Andrews consulted every shade of opinion before forming his first industry committee. It is a technique which he found successful in New York and which really means that, in the end, the number of "kicks" are reduced to a minimum. His announcement of a strict need for limiting his appointments to but four or five industry committees by January 1 was received with relief in those quarters which feared a pell mell rush to cover a vast area of the industrial population at one swoop.

Many difficult questions are posed by the Wage-Hour law. Handicapped for some weeks without a legal chief, Mr. Andrews had to "pass the buck" on the myriad questions of a technical and administrative nature fired at him in press conferences. But slowly, within a few weeks after Mr. Magruder's arrival, the outlines of some of the important answers began to appear.

There was some clamor at the beginning that the new Administrator define interstate commerce so as to indicate which industries the Act covered. Mr. Andrews ducked, correctly leaving the definition for the courts. But he collated decisions which indicated the courts' views on the subject of interstate commerce. Further he promised to make public a list of industries which seemed to him to fall under the category of interstate commerce. Of course he was aware that, in the final analysis, the courts would have to pass upon various



Have You One Customer Too Many?

Any customer who fails to pay for goods shipped is one customer too many. He wouldn't be on your books if your credit manager could possibly know his *future ability* to meet his obligations.

The devastating credit losses suffered annually by Manufacturers and Jobbers are rarely caused by laxity or poor judgment in extending credit, but largely by neglecting to insure the safety of accounts *after goods are shipped*.

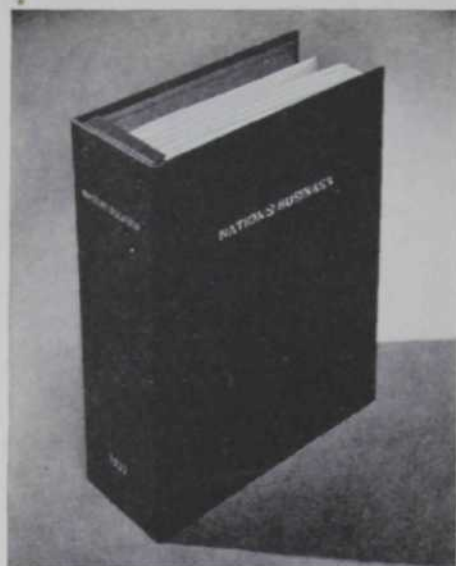
American Credit Insurance

performs the vital function of protecting sales. Goods sold under the terms of the policy are paid for promptly. Your capital is not tied up nor dissipated in insolvent or delinquent accounts -- is not helping finance debtors who seek relief in "77-B."

Thousands of executives in more than 150 different lines of business protect their receivables economically with "American" policies. The large majority insure all their accounts. Special groups or classes of debtors, however, are also insurable. Any "American" representative will gladly help analyze your specific needs.

Copyright 1938, American Credit Indemnity Co. of N. Y. W19

AMERICAN CREDIT INDEMNITY CO.
 of New York J. F. McFadden, President
 Chamber of Commerce Building St. Louis, Mo.
Offices in all principal cities of United States and Canada



A BINDER

for your copies of
NATION'S BUSINESS
for only \$1

AN inexpensive way to bind your copies of NATION'S BUSINESS. This binder is strong, practical and simple to use. No punching or marring of the magazine is necessary. A click and the copy is in. Holds twelve issues. Send your order today to NATION'S BUSINESS, Washington.

EXECUTIVES—BE A REAL SANTA CLAUS THIS YEAR!

Give business associates, good customers, department heads LAWRENCE solid leather traveling kits for Christmas! Full size sample, prices, etc. to responsible executives. Write on your business letterhead.

THE GEO. LAWRENCE CO., PORTLAND, OREGON

Free! PIPE CATALOG NEW! SAVES YOU MONEY

383 different pipes, 57 high grade tobaccos, pouches, racks, humidors, and pipe gadgets from all over the world at bargain prices! Tells—How To Keep Your Pipe Sweet, How To Blend, etc., etc. 48 pages—hundreds of illustrations! We ship POSTPAID all over U. S. Thousands of pipe smokers save money—We are the largest pipe purveyors and tobacconists (strictly) in the world. Send for FREE Catalog, now—No obligation.

WALLY FRANK, LTD., 10 E. 45TH ST., NEW YORK DEPT. 219



aspects of the new law and his job was to make the approach as easy as possible for such adjudication.

Administration of the law, insofar as record keeping by employers is concerned, will be reduced to the utmost simplicity, Mr. Andrews promises.

"We do not propose to require a great mass of records and reports in addition to those employers now keep," he says. "We shall make every effort to limit the number of records, the number of columns, and the frequency of reporting. It may be that only one or two lines in addition to the records now required under the Old Age Insurance Titles of the Social Security Act are needed.

"If we can administer the law effectively with no information in addition to that required by the Social Security Act, that will be a break for the em-

ployers and for us. As a former State Industrial Commissioner, I know the obligations placed on employers in the matter of record keeping and reporting, and every proposal to add to these burdens will have to make out a strong case before approval. We will not collect information for the sake of information, but only for effective administration.

"Our first interest will be in the equal enforcement of the law throughout the country. By this I mean that every employer and worker must be subject to a single interpretation of the law and of the rulings and orders issued under it.

"For this reason, it will be essential to have, from the start, uniform enforcement procedure, uniform inspection methods, uniform reporting methods, a uniform conception of the whole spirit and purpose of the law."

Is Industry Concentrating in New Areas?

(Continued from page 26)

zation concerning which recent statistics are not available but of which all alert Chambers of Commerce are aware. This relates to the tendency of industry to establish branch plants often at locations widely removed from the main factory. Viewed from the standpoint of industrial management, this is true decentralization. But viewed from other standpoints, decentralization may not be evident.

For example, many national manufacturers have recently opened branch factories in Los Angeles or San Francisco or in their suburbs. Both these cities are included in the 33 already mentioned. From one viewpoint, the addition of more branch factories to those cities may be considered concentration; but certainly from the standpoint of the industries establishing those branch plants it is decentralization.

Recently two well known manufacturers of batteries built branch plants at Dallas. Clearly, this is decentralization as viewed by the industries, or when considering the national aspect of battery production. But Dallas already had four battery plants and now has six. That is concentration, viewed locally.

Perhaps this conflict of viewpoints explains why we have so much misconception concerning trends in industrial location. It may explain, also, much loose thinking on decentralization as a panacea for social and economic ills.

Migration is a large factor in decentralization. It is also often a factor in concentration, particularly when it is understood that the term does not mean alone the movement of a given factory from one location to another, but is used to include all shifts in industrial enterprise, whether those shifts are the direct result of actual movement, the development of new enterprises in new localities, the establishment of branch plants, the introduction of substitutes, or result from new sources of raw materials.

As measured by shifts in wage jobs, by types of industry, this migration is much greater than is generally realized.

In the decade from 1919 to 1929, a period of rapid national expansion, industrial employment actually decreased

1.8 per cent, while population increased 16 per cent. Twenty-two states, however, showed gains in the number of industrial wage-earners. Among the states leading in the gains were South Carolina, 36.9 per cent; Tennessee, 34.9 per cent; North Carolina, 33.1 per cent; Georgia, 27.6 per cent; Texas, 25.1 per cent.

Besides cotton and knit goods, the production of lumber and the manufacture of turpentine, resin, furniture, and rayon largely accounted for the increased employment in the Southeast, while Texas owed its expansion to the growth of petroleum refining, and foundry and machine shops, as well as to cotton goods and the manufacture of foodstuffs.

Much industry has moved

IN A period of 20 years, Pennsylvania dropped from 38 per cent of all the labor employed in the blast furnace industry in the United States to less than 30 per cent. In the paint and varnish industry, New York fell from 21 per cent to 15 per cent of the nation's employment. Over a period of 25 years, its loss in hosiery and knit goods amounted to 11 per cent of the national employment in that industry.

Shifts in the automotive industry are most striking. In 1904, Ohio ranked with Michigan in that industry, each having 22 per cent of the total national employment. Today, Michigan can claim two-thirds, and Ohio only ten per cent.

Other evidences of industrial shifts should be borne in mind. Several of our largest industries were virtually unknown or very small 30 years ago. Gains are particularly noticeable in the production of electrical equipment, bakery products, furniture, petroleum, refining, chemicals, radio, rayon, and the automotive industry.

In the period, 1919 to 1935, Census Bureau statistics reveal that 21 of our major industries have shown national decreases of 20,000 or more employees, including two of these infant industries—electrical equipment and automobiles. The others are railroad repair shops, railroad car building, cigars and cigarettes, clay products, confectionery, co-

ton goods, engines and turbines, flour and feed milling, foundries, blast furnaces, gas manufacturing, leather tanning, lumber, machine tools, meat packing, planing mills, tires, ship-building and tools. Some of these decreases are obviously due to substitution of new products, or of machinery for hand labor. Others are due to obsolescence and to depression.

But, in spite of these shifts, there has been no disturbance of consequence in the ratio of wage earners in the principal industrial centers to those in the rest of the country. However, the various geographical divisions of the United States show wide fluctuations in the percentage of increase in wage jobs in both primary and secondary concentration areas. In the Southeast the rate of increase is lower in the principal cities than for the less concentrated areas, indicating that decentralization has progressed further in those states than elsewhere.

Why handicap decentralization?

IF DECENTRALIZATION of industry is a good thing socially and economically, as many theorists claim, why, then, should we attempt to remove by federal legislation, from that area where it is showing the most progress, the one principal economic factor encouraging migration to that area—low labor costs?

Of course, the possibility of tapping new sources of raw materials and new markets is responsible for some of the recent development of both Southeast and Southwest. Much, however, results from the fact that industries can obtain low labor costs, which result from, and are justified by, lower living costs which are often sufficient to produce higher real wages than are paid in other sections.

Under the recently enacted uniform national minimum wage law, some of the South's advantages will be eliminated. As a result, advocates of decentralization may find remaining only two important trends, migration from the central city to its immediate suburbs, and the further spread of branch plants.

Under such limitations, decentralization may cause our suburbs to become uglier than slums, and factory workers may continue to crowd themselves into the congested cities as they have done in the past, going to the suburbs only for work, and getting few of the advantages of life in less crowded regions.

The building of branch plants to serve such new population centers as have recently grown up on the Pacific Coast and in the Southwest will logically continue. Approximately 10,000 manufacturing companies in this country are now operating under branch plant policies. However, as already indicated, the location of branch plants may not result in true decentralization.

Our public policy should encourage decentralization, both suburban and regional. Economic factors favoring migration to uncongested or undeveloped areas should not, therefore, be removed by political edict, especially by that of politicians who have advocated decentralization and have spent so much public money to back up their theories.

"We no longer watch the clock"

-- A TRUE CONFESSION!



We used to work along gaily enough all morning. And part of the afternoon. But then that crowded, constricted, harassed feeling would get us and we'd say "Will 5 o'clock **never** come?"

"Things are better now. 5 p. m. actually sneaks up on us before we know it. We have installed Remington Noiseless Typewriters—they remove the chief cause of nerve shattering office clatter."

MAKE THE 5 O'CLOCK TEST

To make the 5 o'clock test just compare Remington Noiseless Typewriters in your office... use them exclusively for the free test period. Decide by the way you feel at 5 p. m.—by the increased work turned out each day—how completely a noiseless office protects your nerves, your temper, your energy and your desire to work. Remington Rand Inc., Buffalo, N. Y.—World's largest manufacturer of noiseless and portable typewriters.

More Remingtons Built and sold in 1937 than any other make



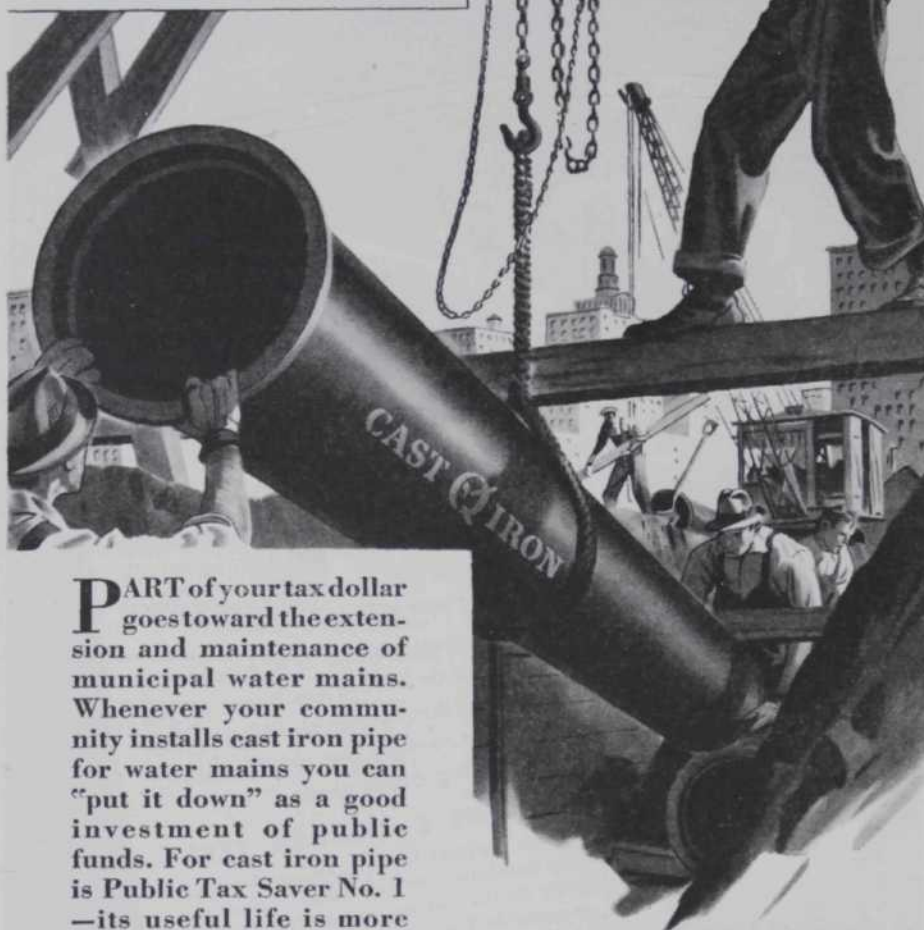
REMINGTON NOISELESS TYPEWRITERS

What Helps
Business
Helps You!

IF YOU are willing to cooperate in bringing about a better public understanding of business in your community or industry, write your local chamber of commerce or trade association for booklet containing 40 Suggestions on "Yes, You Can 'Do Something About It'."

NATION'S BUSINESS • Washington, D. C.

Put it down as
**PUBLIC
 TAX SAVER
 NO.1**



PART of your tax dollar goes toward the extension and maintenance of municipal water mains. Whenever your community installs cast iron pipe for water mains you can "put it down" as a good investment of public funds. For cast iron pipe is Public Tax Saver No. 1—its useful life is more than a century—it is saving millions of tax dollars which would otherwise be assessed to replace shorter-lived mains.

Cast iron pipe is the only ferrous metal pipe, practicable for water, gas and sewer mains, which rust does not destroy. It is made in diameters from 1¼ to 84 inches. Address inquiries to The Cast Iron Pipe Research Association, Thomas F. Wolfe, Research Engineer, Peoples Gas Building Chicago, Illinois.



Unretouched photograph of a cast iron water main installed more than a century ago and still serving the citizens of St. Louis.



Trademark Reg.

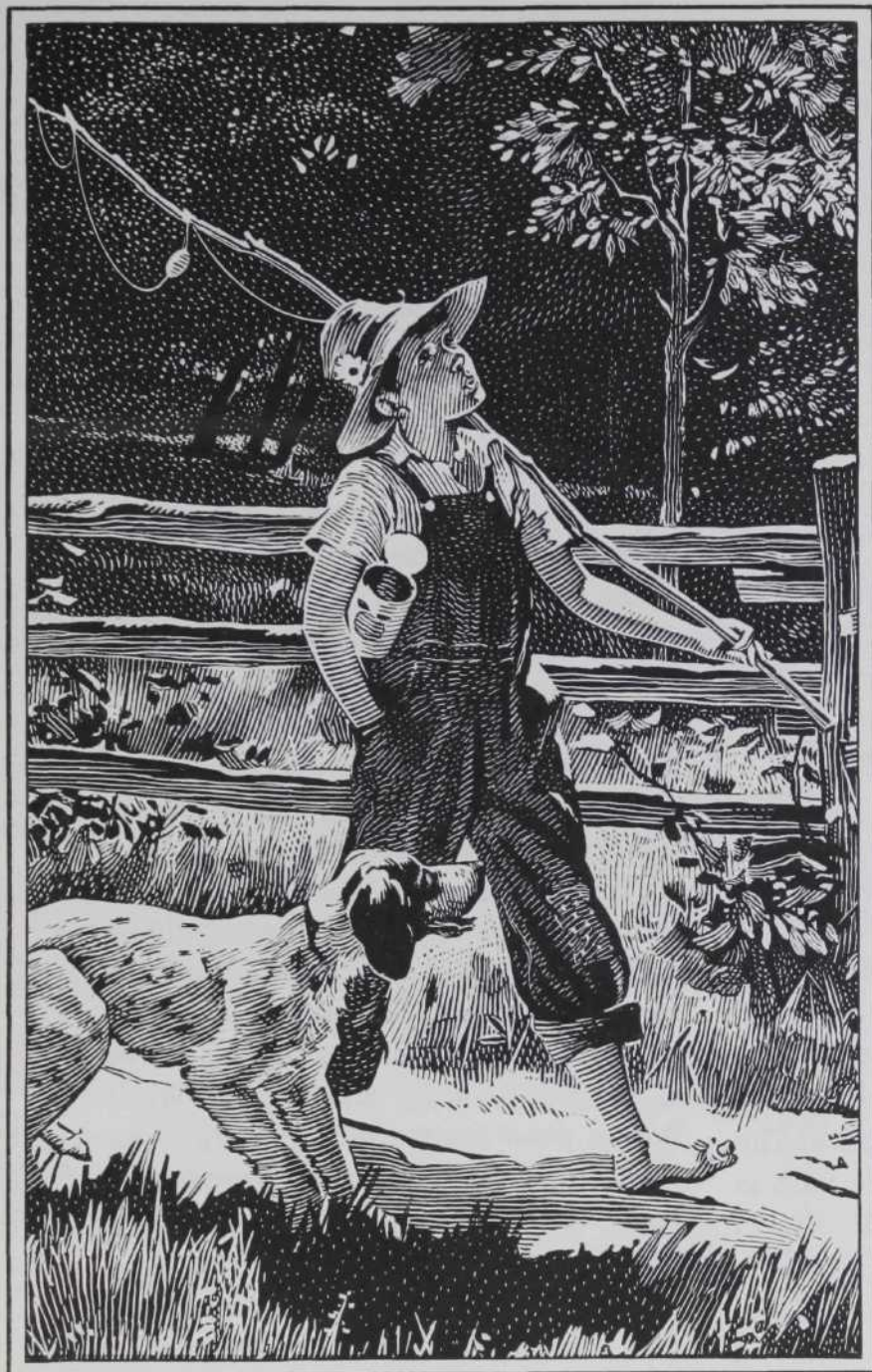
CAST IRON PIPE
saves taxes in the public service

**Index of
 ADVERTISERS**

November • 1938

	Page
Addressograph-Multigraph Corporation	49-65
Aluminum Company of America	50
American Credit Indemnity Co. of N.Y.	79
American Mutual Alliance	45
American Telephone & Telegraph Co. 2nd Cov.	
Anheuser-Busch, Incorporated	83
Bank of New York	53
Budd, Edw. G., Manufacturing Co.	3
Burroughs Adding Machine Company	33
Canadian Pacific	58
Cahoga Farms	78
Cast Iron Pipe Research Assn.	82
Collins & Aikman Corporation	2
Curtis Publishing Company	42-43
Cutler-Hammer, Inc.	39
Detex Watchlock Corporation	54
Dick, A. B., Company	14
Egry Register Company	77
Erie Railroad System	75
Exposition of Power & Mechanical Engineering, 13th National	70
Felt & Tarrant Manufacturing Co.	37
Frank, Wally, Ltd.	80
Furness Prince Line	62
Goodyear Tire & Rubber Company	12
Guaranty Trust Company of New York	57
Hartford Steam Boiler Insp. & Ins. Co.	8
Household Finance Corporation	11
International Business Machines Corp.	10
International Harvester Company	4
Kidde, Walter & Company	9
Kinberly-Clark Corporation	54-67-68
LaSalle Extension University	72
Lawrence Co., The George	80
Lennox Hotel	74
Lumbermens Mutual Casualty Co.	55
Mayfair Hotel	80
Metropolitan Life Insurance Co.	35
Mississippi Industrial Commission	73
Monroe Calculating Machine Co.	6
Musto-Keenan Company	70
National Carbon Company, Inc.	3rd Cov.
Nation's Business	76
New York Times	84
Norfolk & Western Railway Company	7
Plymouth Motor Corporation	1
Postage Meter Company, The	59
Prudential Insurance Company	72
Remington Rand, Inc.	81
Reynolds, R. J., Tobacco Company	4th Cov.
Royal Typewriter Company	47
Smith, L. C. & Corona Typewriters	63
South Africa Railways & Harbours	78
Talcott, James, Inc.	74
Underwood Elliott Fisher Company	56
United Brewers Industrial Foundation	71
Woodstock Typewriter Company	78

YOU CAN'T TELL *HIM* THERE'S NO FISHIN'



Let the Weather Man talk. Let the experts scoff. Youth goes fishing for the fun of it ...in all kinds of weather...in all kinds of waters.

The man who has lost the spirit of youth is too busy with gloomy forecasts to gather bait, much less go fishing.

Men with the spirit of youth pioneered our America...men with vision and sturdy confidence. They found contentment in the thrill of action, knowing that success was never final and failure never fatal. It was courage that counted. Isn't opportunity in America today greater than it was in the days of our grateful forefathers? Good!

*Live Life ... Every golden minute of it
Enjoy Budweiser ... Every golden drop of it*



ANHEUSER-BUSCH . . . ST. LOUIS



You don't have to be an expert in government to succeed in business.

But, the times being what they are, you do have to know a lot about it. More than ever, the very existence of business, let alone its success, depends upon how much its managers know about government and its trends and changes.

And government itself is a funny business. Trend becomes actuality almost as quickly as a dot in the sky becomes a Kansas cyclone. The whispered word of a "power" is often more important than the eloquently spoken word of an officeholder. In government, you have to get behind the speeches to know the facts.

Facts are the principal business of The New York Times . . . getting the facts to you quickly, completely, reliably . . . facts uncolored by bias, sensationalism

or partisanship. No matter what else they read, business men all over the country read The New York Times also . . . because they recognize its unique value as America's most informative newspaper.

To keep you reliably posted on governmental affairs, The Times maintains the largest independent news bureau in Washington. Its trained and expert observers travel frequently over the country to get the "on the spot" feel of local and regional governmental affairs. Twice, The Times chief Washington correspondent has won the Pulitzer Prize, journalism's highest distinction, for his dispatches from the capital. The Washington press corps itself, a group of experts representing many newspapers, has voted The Times Washington report "the most fair and impartial."

Have The Times sent you on a 3-month trial subscription. You'll find, as thousands of business executives have, that reading The Times regularly is your best insurance that you will be really well informed. This coupon is easy to use.

The New York Times
Times Square, New York, N. Y.

Send The New York Times for three months on your trial subscription offer of \$1.50 Sundays only ☐ \$4.25 weekdays and Sundays ☐

Name

Address

Check enclosed ☐

Bill me ☐

NB

The New York Times

"ALL THE NEWS THAT'S FIT TO PRINT"

**BETTER BE SAFE...
BETTER BE HAPPY...
BETTER BE THRIFTY**

NATIONAL CARBON COMPANY, INC.

specifically

GUARANTEES

that "EVEREADY" "PRESTONE" ANTI-FREEZE, if used according to printed directions, in normal water cooling systems, will protect the cooling system of your car against freezing and clogging from rust formations for a full winter; also that it will not boil away, will not cause damage to car finish, or to the metal or rubber parts of the cooling system, and that it will not leak out of a cooling system tight enough to hold water.

NATIONAL CARBON COMPANY, INC.

GENERAL OFFICES: NEW YORK, N. Y. BRANCHES: CHICAGO • SAN FRANCISCO
UNIT OF UNION CARBIDE INC. AND CARBON CORPORATION

FIND YOUR CAR ON THIS CHART

IMPORTANT! The price per gallon of an anti-freeze means nothing unless you know *how many gallons* you will need during the *entire* winter. You can't get that information on a boil-away anti-freeze. But you *can* get it for "Prestone" anti-freeze...and here it is. See how reasonably you can get two-way protection *all winter long* against both freeze-up and rust formations with *one shot* of "Prestone" anti-freeze—one shot because it won't boil off, no matter how warm the weather gets between the cold snaps. If your car isn't on this chart, your dealer has a chart showing all cars; and amounts needed for temperatures to 60° below zero.

Find your car and read from left to right. The first figure shows the protection you get with one gallon of "Eveready" "Prestone" anti-freeze in the cooling system; the second with one and a half gallons—and so on. "+" means above zero. "-" means below zero. If your car has a hot water heater, add ¼ gallon to the quantity called for.

MODEL	1 GAL.	1½ GAL.	2 GAL.	2½ GAL.	MODEL	1 GAL.	1½ GAL.	2 GAL.	2½ GAL.
AUBURN					LAFAYETTE				
654, '36	+12	-4	-27	-59	6, '34, '35, '36	+15	+2	-16	-42
852, '36	+17	+6	-9	-28	"400", '37, '38	+16	+4	-12	-34
BUICK					LA SALLE				
40, '34, '35, '36, '37, '38	+6	-18	-54		35-50, '35; 50 (Str. 8), '36	+12	-4	-27	-59
60, 80, 90, '36, '37, '38	+12	-4	-27	-59	345-C, '33; 50, '37, '38	+20	+12	+1	-12
CADILLAC					LINCOLN				
85, '37	+12	-4	-27	-59	Zephyr, '36, '37, '38	+22	+14	+4	-6
90, '36, '37; 60, '38	+19	+9	-3	-19	V-12, '33 to '38	+23	+17	+10	+2
60, 70, '37; 65, 75, '37, '38	+20	+12	+1	-12	NASH				
60, 70, 75, '36; 90, '38	+22	+15	+8	0	3720, '37; 3820, 3880, '38	+10	-8	-34	
355-D, '34, '35; 80, 85, '36	+16	+4	-12	-34	3620, 3640, '36; 3780, '37	+14	0	-21	-50
CHEVROLET					Adv. 8, '34, '35; Amb. 8, '36	+17	+6	-9	-28
All Models, '36	+8	-12	-43		OLDSMOBILE				
All Models, '37, '38	+6	-18	-54		F, '35, '36	+3	-25	-62	
CHRYSLER					F, '34; L, '35, '36; F, '37, '38	+10	-8	-34	-62
6, '32, '33, '34, '35; AF, '37	+12	-4	-27	-59	L, '37, '38	+17	+6	-9	
Royal, '37; C18, 19, 20, '38	+16	+4	-12	-34	PACKARD				
DeL-8, '36; Imp., '37	+18	+8	-6	-23	120, '35, '36; 6, '37	+14	0	-21	-50
AF-8, Imp.-8, '35; 6, '36	+15	+2	-16	-42	6, '38	+8	-12	-43	
DE SOTO					8, '38	+10	-8	-34	
6, '34; AF, AS, '36; 6, '37;					1400-1-2, '36; 120, '37;				
S-5, '38	+16	+4	-12	-34	Super 8, '38	+16	+4	-12	-34
DODGE					Super 8, '35, '36	+18	+8	-6	-23
6, '32, '33; D-2, '36;					1500-1-2, '37	+19	+10	0	-15
D-8, '38	+8	-12	-43		12, '33 to '38	+21	+16	+10	
Senior-6, '30; DU, '35;					PIERCE ARROW				
D-5, '37	+12	-4	-27	-59	1601, '36; 8, '37, '38	+20	+12	+1	-12
FORD					12, '36 to '38	+24	+20	+15	+6
V-8, '32 to '36; V-8-78,					PLYMOUTH				
'37, '38	+18	+8	-6	-23	PF, PG, '34 P5, P6, '38	+6	-18	-54	
V-8-74, '37, '38	+10	-8	-34	-62	P1, P2, '36; P3, P4, '37	+8	-12	-43	
GRAHAM					PONTIAC				
80, 90, 110, '36; 95, 116,					8, '33, '34, '35; 6, '36	+8	-12	-43	
120, '37, '38	+10	-8	-34	-62	6, '37, '38	+10	-8	-34	-62
74-6, '35; 85, '37	0	-34	-62		8, '36	+12	-4	-27	-59
HUDSON					8, '37, '38	+15	+2	-16	-42
6, '35 (late); 6, '36 to '38	+3	-25	-62		STUDEBAKER				
8, '36, '37	+16	+4	-12	-34	6, '36 to '38; Com., '38	+6	-18	-54	
6, '35 (early); 8, '38	+14	-0	-21	-50	Dic., '34, '35; Pres., '37	+10	-8	-34	-62
112, '38	0	-34	-62		Pres., '36, '38	+12	-4	-27	-59
HUPMOBILE					TERRAPLANE				
6-618-G, '36; 6, '37, '38	+16	+4	-12	-34	6, '36, '37, '38	+3	-25	-62	
422, '34; 8-621-N, '36; 8, '38	+19	+8	-6	-23	WILLYS				
527, '35; 627, '36; 8, '37	+19	+10	0	-15	77, '33 to '36	-21			
					'37, '38	-6	-47		

\$2.95
A GALLON



Why take chances with boil-away anti-freeze this winter?

Start the season *right*, with "Eveready" "Prestone" anti-freeze in your radiator. One stop at your service station *now*, and you're safe against boil-away, freeze-up and rust-clogging *all winter long*.

No worry, no uncertainty, no going back for more. You pay for "Prestone" anti-freeze only *once-a-winter*. And if you'll check back after a winter of guaranteed freeze-up protection, driving comfort and peace of mind, you'll find that "Prestone" anti-

freeze has actually saved you money.

Read the guarantee. It insures your car against winter's greatest driving hazards...boil-away, freeze-up, and rust.

EVEREADY
TRADE-MARKS
PRESTONE
ANTI-FREEZE

The words "Eveready" and "Prestone" are trade-marks of National Carbon Co., Inc.

COSTS MORE BY THE GALLON LESS BY THE WINTER

Your tired nerves need frequent relief

SCOTTIE Known variously in early history as Skye, Highland, Cairn, and Scots terrier. Nicknamed the "die-hard" for stout heart and unquenchable love for sport. Extremely independent.



He's giving his
nerves
a rest...

and so
is he

LIKE humans, dogs have a complicated, highly developed set of nerves. But dogs rest when they need rest...while we plunge ahead with our hurry and worry—straining our nerves to keep up the pace. We can't turn back to the natural life of an animal, but we *can* soothe and rest our nerves. Camel cigarettes can be your pleasant reminder to take a helpful breathing spell. Smokers find Camel's costlier tobaccos are mild—*soothing* to the nerves.

Successful people advise
"Let up...light up a Camel"



RALPH GULDAHL (above), U. S. Open golf champion, reveals: "I've learned to ease up now and again—to let up . . . and light up a Camel. Little breaks in daily nerve tension help to keep a fellow on top. Smoking a Camel gives me a grand feeling of well-being. Here is a cigarette that is actually *soothing* to my nerves!"

DID YOU KNOW:



—that tobacco plants are "topped" when they put out their seed-head? That this improves the quality of leaf? That most cigarette tobacco is harvested by "priming"—removing each leaf by hand? The Camel buyers know where the choice grades of leaf tobacco are—the mild tobaccos that are finer and, of course, more expensive. Camels are a matchless blend of finer, **MORE EXPENSIVE TOBACCOS**...Turkish and Domestic.

Copyright, 1938, R. J. Reynolds Tobacco Co., Winston-Salem, N.C.



Smoke 6 packs
of Camels
and find out
why they are
the **LARGEST-
SELLING
CIGARETTE
IN AMERICA**



LET UP—LIGHT UP A CAMEL!

Smokers find Camel's Costlier Tobaccos are Soothing to the Nerves